

Polokwane Municipality

Draft Budget

2018/19

CR/



The Ultimate in Innovation and Sustainable Development



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Executive Summary

Purpose

The purpose of the report is to table the Draft Multi-Year Budget 2018/19 -2020/21 to Council for approval.

Background

The IDP/Budget Process Plan to review the 2017/2018 IDP/Budget was adopted on 27 July 2017 in terms of the provision of the Municipal Finance Management Act. The process plan outlines the key deadlines for the preparation, tabling and approval of the annual budget.

Discussion

Section 16 of the Municipal Finance Management Act stipulates the following:

- (a) The Council of a municipality must for each financial year approve an annual budget for the Municipality before the start of that financial year.
- (b) In order for a municipality to comply with subsection (1), the Mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.

Section 24 further stipulates that the Council must at least 30 days before the start of the budget year consider approval of the annual budget.

This draft 2018/19 Budget places emphasis on inclusive growth, as well as a progressive programme of capital expenditures. This draft Budget also relies on practice of good governance and a public ethic that values honesty and fairness. If we act together, on these principles, as public representatives, civil servants, business people, youth, workers and citizens, we can overcome the challenges of tough economic times and difficult adjustments.

The following budgeting PRINCIPLES were applied in formulating the medium term budget:

- Realistic and achievable collection rates.
- Sustainable, affordable, realistic and balanced budget
- Major tariffs to be cost reflective, realistic and affordable
- Budget to contribute to achieving strategic objectives of the IDP

- Balancing capital expenditure for social, economic, rehabilitation and support

In this MTREF we have ensured that we eradicate non-priority spending and reprioritise expenditure to focus on core infrastructure and service delivery.

The main **CHALLENGES** experienced during the compilation of the 2018/2019 MTREF are as follows:

- National Treasury Austerity measures with minimal growth in grant allocations.
- Huge backlogs and further demands due to urbanization.
- Economic slowdown & unemployment: impacts on collection rates
- Limited available own funding to fund much needed infrastructure

The following are some of the AUSTERITY MEASURES that will be applied to the 2018/19 medium term budgets, in order confirm to National Treasury cost containment guidelines.

- Utilisation of vehicles will closely monitored via the vehicle tracking system.
- Strategic approach to vacancies. Analysis of vacancies carried out.
- Fuel, overtime, catering, and consultants are some of the costs that are closely monitored.

Total draft budget for the 2018/19 financial year is R4.7 billion made up of an operating budget of R3.3 billion and a capital budget of R1.4 billion. The focus of this budget will be directed to the key areas in line with our promises to improve the lives of our people. Ensuring good governance in the City and ensuring the effective use of public funds and enhance accountability

The following assumptions were taken into account during the compilation of draft budget:

Revenue: Tariff increases:

- **Electricity:** NERSA has issued a guideline percentage price increase of 8.5 % on electricity sales for 2018/19.
- **Water services:** It is proposed to increase water tariffs with 10.5%
- **Sanitation:** It is proposed that sanitation services be increased by 6%
- **Waste Removal:** It is proposed to increase tariffs by 6%.
- **Assessment rates:** It is proposed to increase rates by 6% over MTREF

Tariff Increases over MTREF (%)	201819	201920	202021
Electricity	8,5	9,5	10
Water services	10,5	10,25	10
Sanitation	6	6,5	7
Waste Removal	6	6,5	7
Assessment rates	6	6	6

- Growth is estimated at 2% per annum
- Debtors collection is estimated at 90 %

- **Other tariffs:** These tariffs will increase at a CPIX rate as outline in circular 89 issued by National Treasury.

The municipality will embark on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers and to ensure that all revenue due is billed correctly and collected efficiently

Expenditure increases

1. **Electricity bulk purchases** have been increased by 7.25% in line with NERSA guidelines.
2. **Water bulk purchases** have been increased by 6% in line with National Treasury's inflation forecasts.
3. **Salaries and allowances** have been increased by 7% which is in line with National Treasury's inflation forecasts and SALGA bargaining agreement.
4. **Other expenses** will increase at rate CPIX
5. **Other Materials** will increase at rate CPIX

The following are general contributory factors for the increase in levels of rates and service charges:

- The cost of bulk purchases.
- Cost of the social package to indigents.
- Salary increase with effect from 1 July 2018.
- Increased maintenance of network and infrastructure

The cost pressures of the water and electricity bulk purchases tariffs continue to grow faster than the inflation rate. Given that these tariff increases are determined by the external bodies; the impacts they have on the municipality's tariff are largely outside the control of the Municipality. Furthermore, the adverse impacts of the current economic climate coupled with unfavourable external pressures on services, make tariff increases higher than the CPI levels inevitable.

Indigent subsidies

Provision is made in the operating budget for the subsidizing of indigent households. This subsidy includes a free 6Kl of water, 100 units of electricity, a 100% subsidy for refuse removal and sewerage charges. A 100% rebate on assessment rates will also be given for Indigent

households. The subsidy allowed, exceeds the National norm and stretches the affordability threshold of the municipality.

To qualify as indigents, the household income must not exceed R3 500, the policy is reviewed to also cater for the child headed families and the qualifying people with disability.

The municipality further grants 80% rebates to owners of residential properties who depend on pensions or social grants provided the household income does not exceed R8 300.

The application of sound financial management principles for the compilation of Polokwane Municipality's MTREF is essential and critical to ensure that Polokwane Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities

In view of the aforementioned, the following tables are a consolidated overview of the proposed 2018/19 Medium-term Revenue and Expenditure Framework

Revenue by Source

Description R thousand	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<u>Revenue By Source</u>					
Property rates	388 192	388 192	461 484	498 403	538 275
Service charges - electricity revenue	972 299	972 299	1 054 944	1 155 164	1 270 681
Service charges - water revenue	313 385	220 845	248 450	273 918	301 309
Service charges - sanitation revenue	94 496	94 496	102 528	109 192	116 836
Service charges - refuse revenue	104 099	104 099	112 947	120 289	128 709
Service charges - other		-	-	-	-
Rental of facilities and equipment	35 454	35 454	37 297	39 382	41 584
Interest earned - external investments	44 944	44 944	47 281	49 882	52 625
Interest earned - outstanding debtors	66 742	66 742	80 000	84 400	89 042
Dividends received		-			
Fines, penalties and forfeits	24 000	24 000	16 000	16 959	17 979
Licences and permits	14 046	14 046	14 890	15 782	16 728
Agency services	21 124	21 124	25 000	26 500	28 090
Transfers and subsidies	968 911	975 410	1 005 530	1 051 940	1 134 035
Other revenue	203 570	400 750	439 352	442 169	420 119
Gains on disposal of PPE	41 000		-	-	-
Total Revenue (excluding capital transfers and contributions)	3 292 262	3 362 401	3 645 703	3 883 980	4 156 012

Expenditure by Type

Description R thousand	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Expenditure By Type					
Employee related costs	743 622	760 798	817 423	869 703	917 117
Remuneration of councillors	38 152	38 152	40 518	43 149	45 955
Debt impairment	55 000	55 000	75 000	78 900	82 000
Depreciation & asset impairment	185 000	185 000	200 000	215 000	230 000
Finance charges	80 000	40 000	107 500	111 445	105 000
Bulk purchases	854 322	854 322	915 497	970 426	1 028 653
Other materials	204 967	18 345	57 666	60 827	64 159
Contracted services	330 136	726 898	782 976	750 879	730 269
Transfers and subsidies	5 720	5 720	11 000	11 000	11 000
Other expenditure	405 339	265 605	299 345	316 255	333 271
Loss on disposal of PPE		4 000			
Total Expenditure	2 902 258	2 953 840	3 306 925	3 427 584	3 547 424

The expenditure budget, which funds the continued provision of services provided by the municipality, increased from R 2.9 billion in 2017/18 to R 3.3 billion in 2018/19, R 3.4 billion in 2019/20 and R 3.5 billion in 2020/21 respectively.

Bulk purchases are largely informed by the purchase of electricity and water from suppliers and take up 27.68% of the operating budget. Given projected increases in the bulk prices of both electricity and water, expenditure on this item is likely to grow more rapidly. Expenditure on contracted services including repairs and maintenance amounts to R 840 million for the 2018/19 year, representing 25% of the total operating budget. This includes substantial spend on asset replacement and bringing assets to a good state of repair.

Employee Related Costs takes up 24.7% of the operational budget, which includes a provision of R7.3 million as part of law enforcement and traffic officers as approved by Council.

The growth of the operating budget is mainly due to:

- Cost of addressing service delivery backlogs
- Cost of bulk purchases - Water and Electricity
- Repairs and maintenance of infrastructure.

Funding of Operating Budget

Funding is obtained from various sources, the major sources being service charges such as electricity, water, sanitation, and refuse collection, property rates, grants and subsidies received from National government.

Grant Allocations

Municipalities play a critical role in furthering government's objective of providing services to all. Cities are also driving South Africa's growth and development. However, to play these roles, cities need to be supported and funded. Local Government conditional grants are being reformed to provide targeted support to different types of municipalities. The following projected grant allocations to the municipality in terms of the 2018/19 Division of Revenue Bill have been included in this medium term budget.

Govt Gazette no 41432 of 9 February 2018	National financial year 1 April - 31 March		
	2018/19	2019/20	2020/21
Infrastructure Grants	000	000	000
Municipal Infrastructure Grant (MIG)	330 877	338 146	358 253
Regional Bulk Infrastructure Grant (RBIG)	272 578	630 998	644 491
Integrated National Electrification Programme Grant (INEP)	38 957	28 800	25 600
Public Transport Network Grant (PTNG)	205 107	179 433	189 302
Water services infrastructure grant	70 000	110 000	116 050
Neighbourhood Development Partnership Grant (NDPG)	35 000	35 000	35 000
Sub Total	952 519	1 322 377	1 368 696
Specific Purpose Current Grants			
Financial Management Grant (FMG)	3 048	2 500	2 500
Infrastructure Skills Development Grant (ISDG)	6 500	7 300	7 300
Energy efficiency and demand side management grant	8 000	8 000	8 000
Extended Public Works Programme (EPWP)	5 742	-	-
Sub Total	23 290	17 800	17 800
Equitable Share	831 436	915 810	1 010 785
Sub Total Municipality	1 807 245	2 255 987	2 397 281
Allocations- in-kind-Grants (Schedule 6)			
Water Services Infrastructure Grant	0	100 000	187 556
Municipal Systems Improvement Grant	3 055	500	200
Integrated National Electrification Programme (Escom)	61 768	70 438	74 312
Neighbourhood Develop Partnership Grant (Technical Assistance)	200	1 083	1 200
Sub Total	65 023	172 021	263 268
TOTAL	1 872 268	2 428 008	2 660 549

Capital Budget

The capital budget flows from the IDP process and contains information obtained from relevant stakeholders through extensive public participation processes as well as ward committee processes where applicable

Capital expenditure is budgeted to rise to R 1.4 billion in 2018/19 and thereafter to R 2.2 billion by 2020/21. R 4.6 billion (approximately 90%) is allocated to meeting infrastructure and household services needs and backlogs over the medium term.

The capital budget continues to reflect consistent efforts to address backlogs in basic services and the renewal of the infrastructure of existing network services.

FUNDING OF CAPITAL BUDGET

The Capital budget is funded by the allocations made to the city by National Government in the form of grants, donations and internally generated funds.

The table below represents the capital budget per vote (Directorate)

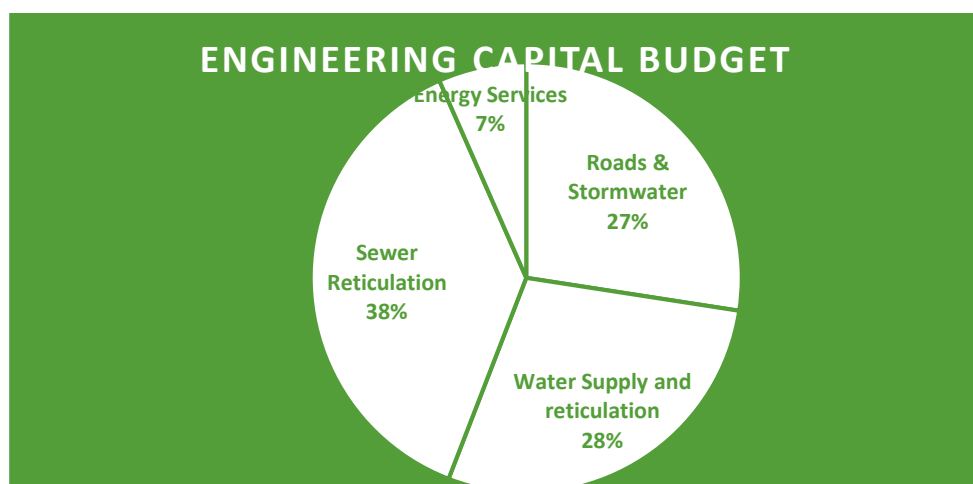
MULTI YEAR BUDGET	Budget Year 2018/19	%	Budget Year +1 2019/20	%	Budget Year +2 2020/21	%
Vote 1 - Council	-	0,00%	-	0,00%	-	0,00%
Vote 2 - Office of the Municipal Manger	-	0,00%	-	0,00%	-	0,00%
Vote 3 - Strategic Planning Monitoring and Evaluation	3 100 000	0,22%	19 300 000	1,34%	27 500 000	1,51%
Vote 4 - Engineering Services	1 045 598 000	73,08%	1 212 844 000	84,29%	1 519 593 100	83,49%
Vote 5 - Community Services	38 977 000	2,72%	30 000 000	2,08%	37 490 900	2,06%
Vote 6 - Community Development	50 340 000	3,52%	52 000 000	3,61%	60 800 000	3,34%
Vote 7 - Corporate and Shared Services	9 750 000	0,68%	11 300 000	0,79%	17 000 000	0,93%
Vote 8 - Planning and Economic Development	7 000 000	0,49%	13 500 000	0,94%	55 650 000	3,06%
Vote 9 - Budget and Treasury	8 500 000	0,59%	2 001 000	0,14%	-	0,00%
Vote 10 - Transport Operations	267 532 000	18,70%	97 991 000	6,81%	102 040 000	5,61%
Total Capital Expenditure - Vote	1 430 797 000	100%	1 438 936 000	100%	1 820 074 000	100%

The bulk of the budget is allocated to Engineering Directorate for infrastructure projects

Main reason which are contributing to 73% of the Engineering Services is attributed to, the fact that Municipality is strategically focusing on renewing its asset with the sole objective of optimizing service delivery, the area of focus is on Refurbishment on Roads, Waste Water Management, Water Network as well as Energy Infrastructure.

While at the same time, investing in the creation of new assets to increase services and economic development in the municipality, major projects undertaken as part of this strategic focus are:

- Building of new Regional Waste Water Treatment Plant
- Building of Regional Water Schemes and acceleration of rural sanitation



Transport Operations is allocated 19% for completion of infrastructure project, IT System and Acquisition of Buses in order to meet “Go live” for Leeto la Polokwane. However, it is worth indicating that the municipality will experience funding shortfall on this program based on outcomes of Division of Revenue.



THE BENEFITS OF LEETO LA POLOKWANE™

The Municipality aims to achieve the following main objectives through the implementation of Leeto La Polokwane



The funds available for capital expenditure from **conditional grants** for the following 3 years are R 802 million, R 983 million and R 1.2 billion respectively.

MULTI YEAR BUDGET	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Municipal Infrastructure Grant	271 728 000	278 646 000	314 253 000
Public Transport Network Grant	162 532 000	97 991 000	102 040 000
Neighbourhood Development Grant	35 000 000	35 000 000	35 000 000
Water Services Infrastructure Grant	68 600 000	110 000 000	116 050 000
Regional Bulk Infrastructure Grant	263 855 000	460 998 000	644 491 000
Total DoRA Allocations	801 715 000	982 635 000	1 211 834 000

The funds available for capital expenditure from **Cash Replacement Reserve** (Own funds) for the following 3 years are R 339 million, R 456 million and R 608 million respectively. The following CRR funding is broken down by directorate

MULTI YEAR BUDGET	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Vote 1 - Council	-	-	-
Vote 2 - Office of the Municipal Manger	-	-	-
Vote 3 - Strategic Planning Monitoring and Evaluation	3 100 000	19 300 000	27 500 000
Vote 4 - Engineering Services	267 155 000	367 250 000	430 550 000
Vote 5 - Community Services	26 177 000	24 000 000	34 490 000
Vote 6 - Community Development	20 500 000	23 000 000	52 800 000
Vote 7 - Corporate and Shared Services	7 250 000	7 250 000	7 250 000
Vote 8 - Planning and Economic Development	7 000 000	13 500 000	55 650 000
Vote 9 - Budget and Treasury	8 500 000	2 001 000	-
Vote 10 - Transport Operations	-	-	-
Total CRR Capital Expenditure - Vote	339 682 000	456 301 000	608 240 000

MFMA Circular 91

“Smaller cities face some of the same urban development challenges as major metropolitan areas. These cities will be eligible for a new integrated urban development grant from 2019/20. Cities will have to meet planning and performance criteria to receive the grant, which will be funded through a shift of funds from the municipal infrastructure grant. The new grant will require cities to plan for a programme of infrastructure investment, funded from grants and own revenues, rather than just standalone projects. This aligns with the policy set out in the Integrated Urban Development Framework (IUDF) approved by Cabinet in April 2016. **This approach will be piloted in uMhlathuze and Polokwane local municipalities in 2018/19.**

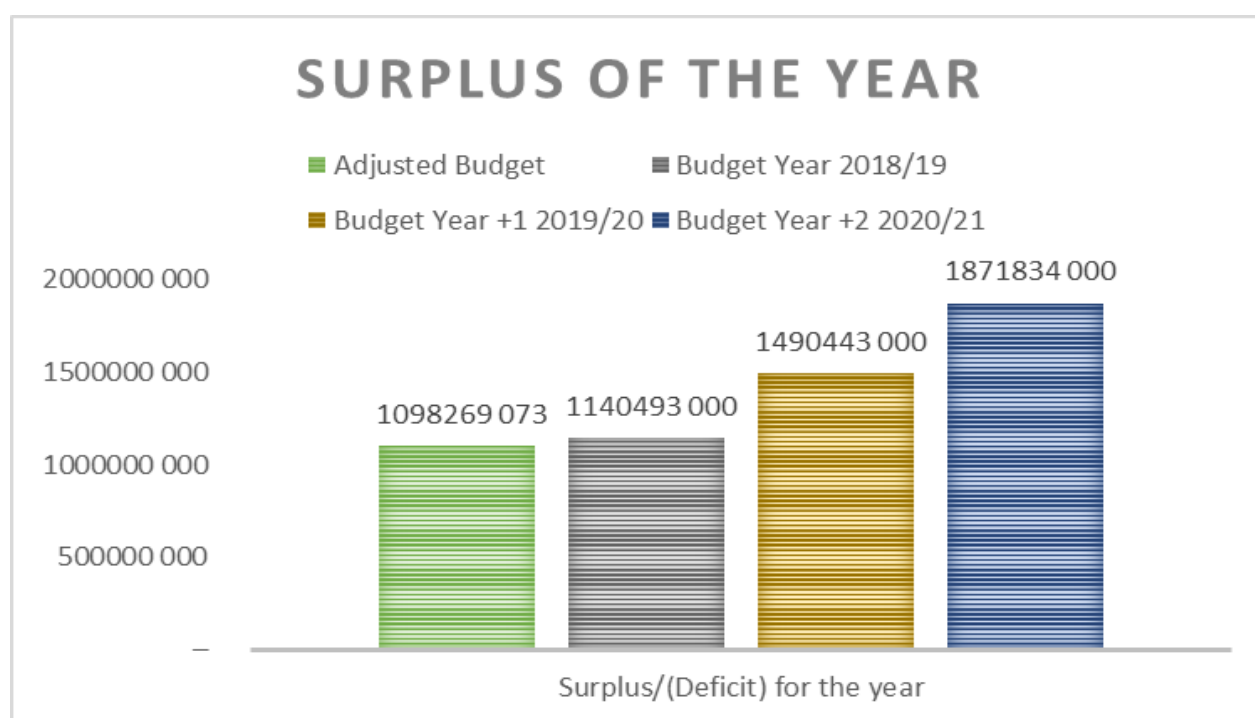
SUMMARY

1. The Draft Annual Budget for the financial year 2018/2019 and indicative for the two projected outer years 2019/2020 and 2020/2021 can be summarized as follows:

1.1 Operating revenue and expenditure by source:

Description R thousand	2014/15	2015/16	2016/17	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Total Revenue (excluding capital transfers and contributions)	-	-	3 557 975	3 292 262	3 362 401	3 645 703	3 883 980	4 156 012
Total Expenditure	-	-	3 144 147	2 902 258	2 953 840	3 306 925	3 427 584	3 547 424
Surplus/(Deficit)	-	-	413 827	390 004	408 561	338 778	456 396	608 588
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)			548 523	650 955	689 708	801 715	1 034 047	1 263 246
Surplus/(Deficit) for the year	-	-	962 351	1 040 959	1 098 269	1 140 493	1 490 443	1 871 834
Total Revenue (excluding capital transfers and contributions)	-	-	4 106 498	3 943 217	4 052 109	4 447 418	4 918 027	5 419 258

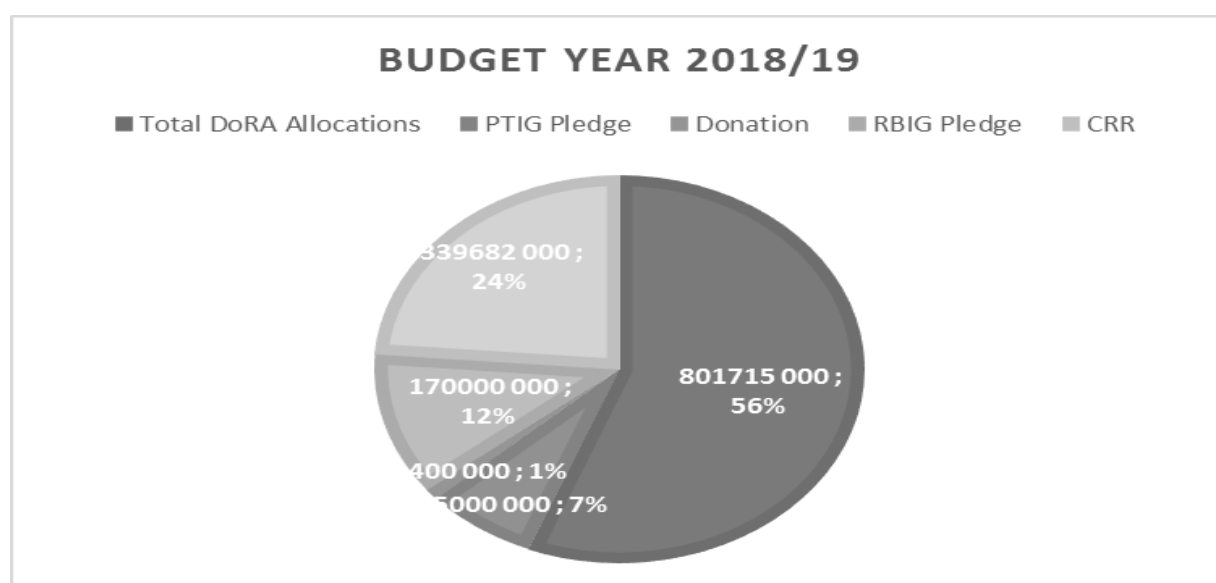
Surplus for the year



1.2 Capital expenditure

Total capital budget is **R 1 430 797 000** which is funded as follows:

MULTI YEAR BUDGET	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Municipal Infrastructure Grant	271 728 000	278 646 000	314 253 000
Public Transport Network Grant	162 532 000	97 991 000	102 040 000
Neighbourhood Development Grant	35 000 000	35 000 000	35 000 000
Water Services Infrastructure Grant	68 600 000	110 000 000	116 050 000
Regional Bulk Infrastructure Grant	263 855 000	460 998 000	644 491 000
Total DoRA Allocations	801 715 000	982 635 000	1 211 834 000
PTIG Pledge	105 000 000	-	-
Donation	14 400 000	-	-
RBIG Pledge	170 000 000	-	-
CRR	339 682 000	456 301 000	608 240 000
TOTAL FUNDING	1 430 797 000	1 438 936 000	1 820 074 000



OVERVIEW OF BUDGET RELATED POLICIES

The MFMA and the Municipal Budget and Reporting Regulations require budget related policies to be reviewed, and where applicable, to be updated on an annual basis. The main purpose of budget related policies is to govern and guide the budget process and inform the projections of the medium term.

The following are draft budget related policies which have been approved by Council, or have been reviewed /amended and / or are currently being reviewed / amended in line with National Guidelines and other legislation

Cash Management and Investment Policy

The objectives of the Investment Policy are: -to manage the investments of the municipality in such a manner that it will not tie up the municipality's scarce resources required to improve the

quality of life of the citizens; that sufficient cash resources are available to finance the capital and operating budgets of the municipality; and to gain the highest possible return on investments during periods when excess funds are not being used, without unnecessary risk.

Leave Policy

To ensure that employees know their entitlement with regard to the allocation of leave, the responsibility to apply for leave in the prescribed manner(s) and for good governance of leave in Polokwane Municipality.

Integrated Customer Policy

The objective of this policy is to provide a policy framework for the circumstances under which deposit must be paid, the determination of the amount of the deposit that must be paid and the refund or forfeiture of deposit

Assets Management Policy

The objective of this policy is to ensure the effective and efficient control of the municipality's assets through proper recording of assets from authorisation to acquisition and to subsequent disposal; providing for safeguarding procedures, setting proper guidelines as to authorised utilisation and prescribing for proper maintenance. To assist officials in understanding their legal and managerial responsibilities with regard to assets.

Budget and Virement Policy

- The budget and virement policy sets out the budgeting principles which Polokwane Municipality will follow in preparing each annual budget. The policy aims to give effect to the requirements and stipulations of the Municipal Finance Management Act in terms of the planning, preparation and approval of the annual budgets.
- The policy shall apply to all the relevant parties within the Polokwane Municipality that are involved throughout the budget process.
- The policy shall establish and maintain procedures to ensure adherence to the IDP review and budget processes

Performance Management System Policy

- The overall objective of implementing and sustaining effective employee performance management is to build human capital at strategic and operational levels throughout the municipality.

- To achieve this objective an Organisational and Employee Performance Management System is implemented to provide administrative simplicity, maintain mutual respect between managers and employees, and add value to day to day communication about performance and development issues

Funding and Reserve Policy

The objectives of the funding and reserves policy are as follows:

- To comply with the legislative requirements
- To ensure that the Municipality's Operating and Capital budgets are adequately funded;
- To ensure that the Municipality's provisions and reserves are maintained at the required levels, in order to mitigate unfunded liabilities in future financial years

Borrowing Policy

The objectives of this Policy are to: -

- Manage interest rate and credit risk exposure;
- Maintain debt within specified limits and ensure adequate provision for the repayment of debt;
- To ensure compliance with all Legislation and Council policy governing borrowing of funds.

Indigent and Social Assistance Policy

The objectives of this Policy are to: -

- Provide a framework within which the Municipality can exercise its executive and legislative authority with regard to the implementation of financial aid to indigent and poor households in respect of their municipal account;
- Determine the criteria for qualification of Indigent and poor households;
- Ensure that the criteria are applied correctly and fairly to all applicants;
- Allow the municipality to conduct in loco visits to the premises of applicants to verify the actual status of the household with respect to meeting the criteria on an indigent household.
- Allow the Municipality to maintain and publish the register of names and addresses of account holders receiving subsidies (financial aid in respect of the Municipal Services account

Supply Chain Management Policy

The objective of the supply chain management policy is

- To give effect to the provisions of section 217 of the Constitution of the Republic of South Africa, 1996;
- To give effect to the provisions of the Local Government: Municipal Finance Management Act, (Act No. 56 of 2003)

- To give effect to the provisions of the Preferential Procurement Policy Act 5 of 2000 and regulations 2011
- To give effect to the Municipal Supply Chain Management Regulations
- The Broad Based Black Economic Empowerment Act 53 of 2003
- The prevention and combating of corruption Activities Act 12 of 2004.

Credit Control and Debt Collection Policy

The objectives of Credit Control Policy are:

- To provide procedures and mechanisms to collect all the monies due and payable to the Municipality arising out of the supply of services and annual levies, in order to ensure financial sustainability and delivery of municipal services in the interest of the community
- To limit risk levels by means of effective management tools.
- To provide for restrictions, limitations, termination of services for non-payment.

The objective of Debt Collection Policy is:

- To implement procedures which ensure the collection of debt, meeting of service targets and the prevention of escalation in arrear debt

Consumer Deposits

- The objective of this policy is to provide a policy framework for the circumstances under which deposit must be paid, the determination of the amount of the deposit that must be paid and the refund or forfeiture of deposit

Tariff Policy

- To comply with the provisions of section 74 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000).
- To prescribe procedures for calculating tariffs where the Municipality wishes to appoint service providers in terms of section 76(b) of the Act.
- To give guidance to the Portfolio Committee for Finance regarding tariff proposals that must be submitted to Council annually during the budgetary process.
- To ensure that there is consistency in how the tariffs are applied throughout the Municipality.
- To ensure municipal services are financially sustainable, affordable and equitable.
- Determining cost effective tariff as far as possible.
- To ensure affordability of basic services to the community.

Property Rates Policy

The key objectives of the policy are to:

- ensure that all owners of rateable property are informed about their liability to pay assessment rates;
- specify relief measures for ratepayers who may qualify for relief or partial relief in respect of the payment of rates through exemptions, reductions and rebates contemplated in section 8 of this policy and section 15 of the Act;
- set out the criteria to be applied by the Council if it increases rates and levies differential rates on different categories of property;
- provide for categories of public benefit organisations, approved in terms of Section 30(1) of the Income Tax Act, 1962 (Act no 58 of 1962) as amended, which ratepayers are eligible for exemptions, reductions and rebates and therefore may apply to the Council for relief from rates;
- recognise the state, organs of state and owners of public service infrastructure as property owners;
- not discourage the development of property;
- ensure that all persons liable for rates are treated equitably as required by the Act;
- determine the level of increases in rates; and
- Provide for exemption, rebates and reductions

Subsistence and Travel Policy

Subject to the provisions of the standard Conditions of Services and any other Agreement with the Bargaining Council applicable to the Council of its employees, the objective of the policy is:

- To fairly compensate persons / employees representing the Council for essential additional expenses incurred by them in the execution of their official duties.
- To ensure uniformity in the payment of subsistence and traveling allowances.

RECOMMEND

1. That the draft (table) annual budget of the municipality and municipal entity (Polokwane Housing Association) for the financial year 2018/19 and the multi-year and single-year capital appropriations as required by section 16 of the Municipal Finance Management Act be tabled and approved for public participation
2. Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table A2;
 - 1.2.1. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table A3;
 - 1.2.2. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table A4 and D2; and
 - 1.2.3. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table A5 and D3
3. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets be tabled and approved as set out in the following tables as part of Draft Budget for 2018/2019 and Multi -year:

2.1 Budgeted Financial Position as contained in Table A6 and D4;

- 2.2 Budgeted Cash Flows as contained in Table A7 and D5;
 - 2.3 Cash backed reserves and accumulated surplus reconciliation as contained in Table A8;
 - 2.4 Asset management as contained in Table A9; and
 - 2.5 Basic service delivery measurement as contained in Table A10.
4. The Council of Polokwane Municipality, acting in terms of section 75A of the Municipal Systems Act (Act 32 of 2000) table the tariffs as outlined in the draft budget for public participation:
 5. That in terms of Council Resolution number CR/81/11/17, Council authorises the Accounting Officer to enter and sign the financing facility from financing institution on behalf of the affected Law Enforcement and Traffic Officers in respect of car financing scheme
 6. That the following draft budget related policies be tabled and reviewed as part of 2018/2019 and Multi-year;
- Cash management and Investment Policy
 - Leave Policy
 - Integrated Customer Care Policy
 - Asset Management Policy
 - Loss and Claims Policy
 - Budget and Virement Policy
 - Performance Management System Policy
 - Funding and reserves Policy
 - Borrowing Policy
 - Indigent and Social Assistance Policy
 - Supply chain management Policy
 - Credit control and debt collection Policy
 - Consumer Deposit Policy
 - Tariff Policy
 - Property Rates Policy
 - Subsistence and Travelling Policy

Detailed Budget Tables

Table A1 Budget Summary

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousands					
<u>Financial Performance</u>					
Property rates	388 192	388 192	461 484	498 403	538 275
Service charges	1 484 279	1 391 739	1 518 869	1 658 563	1 817 535
Investment revenue	44 944	44 944	47 281	49 882	52 625
Transfers recognised - operational	968 911	975 410	1 005 530	1 051 940	1 134 035
Other own revenue	405 936	562 116	612 539	625 192	613 542
Total Revenue (excluding capital transfers and contributions)	3 292 262	3 362 401	3 645 703	3 883 980	4 156 012
Employee costs	743 622	760 798	817 423	869 703	917 117
Remuneration of councillors	38 152	38 152	40 518	43 149	45 955
Depreciation & asset impairment	185 000	185 000	200 000	215 000	230 000
Finance charges	80 000	40 000	107 500	111 445	105 000
Materials and bulk purchases	1 059 289	872 667	973 163	1 031 253	1 092 812
Transfers and grants	5 720	5 720	11 000	11 000	11 000
Other expenditure	790 475	1 051 503	1 157 321	1 146 034	1 145 540
Total Expenditure	2 902 258	2 953 840	3 306 925	3 427 584	3 547 424
Surplus/(Deficit)	390 004	408 561	338 778	456 396	608 588
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	650 955	689 708	801 715	1 034 047	1 263 246
Contributions recognised - capital & contributed assets	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	1 040 959	1 098 269	1 140 493	1 490 443	1 871 834
Share of surplus/ (deficit) of associate	-	-	-	-	-
Surplus/(Deficit) for the year	1 040 959	1 098 269	1 140 493	1 490 443	1 871 834
<u>Capital expenditure & funds sources</u>					
Capital expenditure	1 230 118	1 231 379	1 430 797	1 438 936	1 820 074
Transfers recognised - capital	650 955	689 708	801 715	982 635	1 211 834
Public contributions & donations	-	-	14 400	-	-
Borrowing	239 000	134 000	275 000	-	-
Internally generated funds	340 163	407 671	339 682	590 339	1 066 339
Total sources of capital funds	1 230 118	1 231 379	1 430 797	1 572 974	2 278 173

Table A1 Budget Summary – Continued

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousands					
<u>Financial position</u>					
Total current assets	794 481	1 896 284	1 452 437	1 617 825	1 739 568
Total non current assets	11 116 515	14 196 577	12 636 356	14 070 292	15 715 366
Total current liabilities	672 322	854 056	660 010	716 698	736 198
Total non current liabilities	708 883	623 856	1 116 775	1 257 775	1 588 775
Community wealth/Equity	10 529 790	14 614 949	12 312 007	13 713 644	15 129 960
<u>Cash flows</u>					
Net cash from (used) operating	1 146 590	1 071 227	997 051	1 547 691	1 730 427
Net cash from (used) investing	(1 139 912)	(1 139 912)	(1 359 257)	(1 366 989)	(1 729 070)
Net cash from (used) financing	199 000	94 000	399 023	(83 313)	120 386
Cash/cash equivalents at the year end	303 716	43 327	46 817	144 205	265 948
<u>Cash backing/surplus reconciliation</u>					
Cash and investments available	488 671	445 616	309 017	417 405	589 148
Application of cash and investments	131 778	(570 777)	(270 619)	(227 565)	(196 207)
Balance - surplus (shortfall)	356 893	1 016 392	579 635	644 970	785 354
<u>Asset management</u>					
Asset register summary (WDV)	10 967 707	10 967 707	12 566 543	14 104 270	16 021 063
Depreciation	185 000	185 000	200 000	215 000	230 000
Renewal of Existing Assets	290 823	194 488	237 557	129 241	136 440
Repairs and Maintenance	-	-	-	-	-
<u>Free services</u>					
Cost of Free Basic Services provided	-	-	-	-	-
Revenue cost of free services provided	175 340	175 340	190 474	205 075	221 443
<u>Households below minimum service level</u>					
Water:	-	-	-	-	-
Sanitation/sew erage:	130	130	138	146	155
Energy:	39	39	41	44	46
Refuse:	-	-	-	-	-

Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Functional Classification Description R thousand	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<u>Revenue - Functional</u>					
<i>Governance and administration</i>	2 302 079	2 410 971	2 676 129	3 003 039	3 325 531
Executive and council	–	–	–	–	–
Finance and administration	2 302 079	2 410 971	2 676 129	3 003 039	3 325 531
Internal audit	–	–	–	–	–
<i>Community and public safety</i>	45 392	45 392	9 558	10 126	10 733
Community and social services	5 075	5 075	2 446	2 591	2 750
Sport and recreation	9 439	9 439	6 809	7 215	7 642
Public safety	30 844	30 844	303	320	341
Housing	34	34	–	–	–
Health	–	–	–	–	–
<i>Economic and environmental services</i>	109 119	109 119	138 114	130 921	138 652
Planning and development	92 876	92 876	58 801	62 112	65 714
Road transport	13 615	13 615	76 788	66 133	70 101
Environmental protection	2 628	2 628	2 525	2 676	2 837
<i>Trading services</i>	1 486 627	1 486 627	1 623 617	1 773 941	1 944 342
Energy sources	972 480	972 480	1 055 136	1 155 367	1 270 895
Water management	313 506	313 506	350 836	386 792	425 465
Waste water management	94 496	94 496	102 529	109 193	116 836
Waste management	106 145	106 145	115 116	122 589	131 146
Total Revenue - Functional	3 943 217	4 052 109	4 447 418	4 918 027	5 419 258
<u>Expenditure - Functional</u>					
<i>Governance and administration</i>	972 460	1 024 042	1 196 253	1 246 196	1 253 734
Executive and council	243 014	243 014	293 181	312 802	324 382
Finance and administration	717 756	769 338	890 764	920 380	915 585
Internal audit	11 690	11 690	12 308	13 014	13 767
<i>Community and public safety</i>	272 491	272 491	287 245	302 035	314 392
Community and social services	64 741	64 741	68 712	72 202	76 426
Sport and recreation	159 914	159 914	168 128	176 442	181 554
Public safety	34 934	34 934	36 827	39 011	41 177
Housing	8 235	8 235	8 669	9 183	9 729
Health	4 667	4 667	4 909	5 197	5 506
<i>Economic and environmental services</i>	384 563	384 563	366 594	357 591	394 684
Planning and development	92 826	92 826	120 137	107 235	126 865
Road transport	291 055	291 055	245 738	249 595	267 013
Environmental protection	681	681	719	761	806
<i>Trading services</i>	1 272 745	1 272 745	1 456 833	1 521 762	1 584 614
Energy sources	806 231	806 231	910 002	951 631	1 002 108
Water management	301 177	301 177	322 123	336 943	354 604
Waste water management	100 353	100 353	99 462	102 977	90 403
Waste management	64 984	64 984	125 246	130 211	137 499
Total Expenditure - Functional	2 902 258	2 953 840	3 306 925	3 427 584	3 547 424
Surplus/(Deficit) for the year	1 040 959	1 098 269	1 140 493	1 490 443	1 871 834

Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description R thousand	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue by Vote					
Vote 1 - COUNCIL	-	-	-	-	-
Vote 2 - Office of the Municipal Manger	-	-	-	-	-
Vote 3 - Strategic Planning Monitoring and Evaluation	-	-	-	-	-
Vote 4 - Engineering Services	1 380 720	1 380 720	1 523 153	1 651 620	1 813 480
Vote 5 - Community Services	177 708	177 708	184 125	195 736	208 682
Vote 6 - Community Development	10 941	10 941	11 533	12 191	12 889
Vote 7 - Corporate and Shared Services	5 033	5 033	5 334	5 654	5 994
Vote 8 - Planning and Economic Development	71 800	71 800	58 801	62 112	65 714
Vote 9 - Budget and Treasury	2 297 016	2 405 908	2 664 473	2 990 715	3 312 497
Vote 10 - Transport Operations	-	-	-	-	-
Total Revenue by Vote	3 943 217	4 052 109	4 447 419	4 918 028	5 419 256
Expenditure by Vote to be appropriated					
Vote 1 - COUNCIL	202 689	202 689	269 958	289 539	299 819
Vote 2 - Office of the Municipal Manger	67 350	67 350	51 701	53 386	56 355
Vote 3 - Strategic Planning Monitoring and Evaluation	33 256	33 256	72 846	40 175	57 237
Vote 4 - Engineering Services	1 311 939	1 311 939	1 440 447	1 510 803	1 572 008
Vote 5 - Community Services	337 368	337 368	411 306	429 627	454 167
Vote 6 - Community Development	207 040	207 040	220 713	233 036	241 393
Vote 7 - Corporate and Shared Services	175 048	175 048	231 238	241 921	254 902
Vote 8 - Planning and Economic Development	76 651	76 651	84 273	86 109	89 815
Vote 9 - Budget and Treasury	394 950	446 532	469 010	497 042	469 038
Vote 10 - Transport Operations	95 967	95 967	55 434	45 947	52 688
Total Expenditure by Vote	2 902 258	2 953 840	3 306 926	3 427 585	3 547 422
Surplus/(Deficit) for the year	1 040 959	1 098 269	1 140 493	1 490 443	1 871 834

Table A4 Budgeted Financial Performance (revenue and expenditure)

Description R thousand	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<u>Revenue By Source</u>					
Property rates	388 192	388 192	461 484	498 403	538 275
Service charges - electricity revenue	972 299	972 299	1 054 944	1 155 164	1 270 681
Service charges - water revenue	313 385	220 845	248 450	273 918	301 309
Service charges - sanitation revenue	94 496	94 496	102 528	109 192	116 836
Service charges - refuse revenue	104 099	104 099	112 947	120 289	128 709
Service charges - other		–	–	–	–
Rental of facilities and equipment	35 454	35 454	37 297	39 382	41 584
Interest earned - external investments	44 944	44 944	47 281	49 882	52 625
Interest earned - outstanding debtors	66 742	66 742	80 000	84 400	89 042
Dividends received		–			
Fines, penalties and forfeits	24 000	24 000	16 000	16 959	17 979
Licences and permits	14 046	14 046	14 890	15 782	16 728
Agency services	21 124	21 124	25 000	26 500	28 090
Transfers and subsidies	968 911	975 410	1 005 530	1 051 940	1 134 035
Other revenue	203 570	400 750	439 352	442 169	420 119
Gains on disposal of PPE	41 000		–	–	–
Total Revenue (excluding capital transfers and contributions)	3 292 262	3 362 401	3 645 703	3 883 980	4 156 012
<u>Expenditure By Type</u>					
Employee related costs	743 622	760 798	817 423	869 703	917 117
Remuneration of councillors	38 152	38 152	40 518	43 149	45 955
Debt impairment	55 000	55 000	75 000	78 900	82 000
Depreciation & asset impairment	185 000	185 000	200 000	215 000	230 000
Finance charges	80 000	40 000	107 500	111 445	105 000
Bulk purchases	854 322	854 322	915 497	970 426	1 028 653
Other materials	204 967	18 345	57 666	60 827	64 159
Contracted services	330 136	726 898	782 976	750 879	730 269
Transfers and subsidies	5 720	5 720	11 000	11 000	11 000
Other expenditure	405 339	265 605	299 345	316 255	333 271
Loss on disposal of PPE		4 000			
Total Expenditure	2 902 258	2 953 840	3 306 925	3 427 584	3 547 424
Surplus/(Deficit)	390 004	408 561	338 778	456 396	608 588
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	650 955	689 708	801 715	1 034 047	1 263 246
Surplus/(Deficit) for the year	1 040 959	1 098 269	1 140 493	1 490 443	1 871 834

Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description R thousand	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<u>Capital expenditure - Vote</u>					
Vote 1 - COUNCIL	–	–	–	–	–
Vote 2 - Office of the Municipal Manger	–	–	–	–	–
Vote 3 - Strategic Planning Monitoring and Evaluation	–	–	3 100	19 300	27 500
Vote 4 - Engineering Services	819 524	869 659	1 045 598	1 212 844	1 519 593
Vote 5 - Community Services	35 332	28 036	38 977	30 000	37 491
Vote 6 - Community Development	93 249	77 519	50 340	52 000	60 800
Vote 7 - Corporate and Shared Services	43 750	103 250	9 750	11 300	17 000
Vote 8 - Planning and Economic Development	10 000	7 000	7 000	13 500	55 650
Vote 9 - Budget and Treasury	6 151	6 303	8 500	2 001	–
Vote 10 - Transport Operations	222 112	139 612	267 532	97 991	102 040
Capital single-year expenditure sub-total	1 230 118	1 231 379	1 430 797	1 438 936	1 820 074
Total Capital Expenditure - Vote	1 230 118	1 231 379	1 430 797	1 438 936	1 820 074
<u>Capital Expenditure - Functional</u>					
<i>Governance and administration</i>	49 898	109 550	18 250	8 301	7 000
Executive and council		–			
Finance and administration	49 898	109 550	18 250	8 301	7 000
Internal audit		–			
<i>Community and public safety</i>	112 030	96 155	78 617	97 500	123 111
Community and social services	54 000	54 422	46 227	65 500	113 911
Sport and recreation	50 249	34 119	32 390	32 000	9 200
Public safety	7 781	7 614			
Housing		–			
Health		–			
<i>Economic and environmental services</i>	418 716	436 356	560 487	423 691	524 490
Planning and development	10 000	7 000	6 000	18 500	65 650
Road transport	408 716	429 356	554 487	405 191	458 840
Environmental protection		–			
<i>Trading services</i>	649 474	589 318	773 443	909 444	1 165 473
Energy sources	84 050	58 400	69 070	172 000	210 500
Water management	416 838	431 518	297 253	491 444	786 132
Waste water management	132 035	90 000	392 320	240 000	163 840
Waste management	16 551	9 400	14 800	6 000	5 001
<i>Other</i>		–			
Total Capital Expenditure - Functional	1 230 118	1 231 379	1 430 797	1 438 936	1 820 074
<u>Funded by:</u>					
National Government	650 955	689 708	801 715	982 635	1 211 834
Transfers recognised - capital	650 955	689 708	801 715	982 635	1 211 834
Public contributions & donations			14 400		
Borrowing	239 000	134 000	275 000		
Internally generated funds	340 163	407 671	339 682	590 339	1 066 339
Total Capital Funding	1 230 118	1 231 379	1 430 797	1 572 974	2 278 173

Table A6 Budgeted Financial Position

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
ASSETS					
Current assets					
Cash	266 471	98 038	46 817	144 205	265 948
Call investment deposits	99 000	99 000	104 000	110 000	110 000
Consumer debtors	352 296	534 683	206 970	254 970	261 970
Other debtors	40 000	100 242	45 000	45 000	45 000
Current portion of long-term receivables	500	–	500	500	500
Inventory	36 214	165 385	36 214	36 214	36 214
Total current assets	794 481	997 347	439 501	590 889	719 632
Non current assets					
Long-term receivables		152	–	–	
Investments	123 200	248 578	158 200	163 200	213 200
Investment property	658 489	656 976	663 489	668 489	673 489
Investment in Associate		–			
Property, plant and equipment	10 291 534	10 865 079	11 776 684	13 200 620	14 790 694
Agricultural	8 999	–	14 278	14 278	14 278
Biological	2 074	15 571	2 508	2 508	2 508
Intangible	15 609	3 102	4 588	4 588	4 588
Other non-current assets	16 609	2 407 118	16 609	16 609	16 609
Total non current assets	11 116 515	14 196 577	12 636 356	14 070 292	15 715 366
TOTAL ASSETS	11 910 995	15 193 924	13 075 857	14 661 181	16 434 998
LIABILITIES					
Current liabilities					
Bank overdraft					
Borrowing	122 499	122 499	66 812	61 113	63 613
Consumer deposits	75 000	70 953	72 000	73 000	75 000
Trade and other payables	404 823	590 604	446 198	502 585	512 585
Provisions	70 000	70 000	75 000	80 000	85 000
Total current liabilities	672 322	854 056	660 010	716 698	736 198
Non current liabilities					
Borrowing	518 013	321 980	728 258	828 258	1 138 258
Provisions	190 870	301 875	388 517	429 517	450 517
Total non current liabilities	708 883	623 856	1 116 775	1 257 775	1 588 775
TOTAL LIABILITIES	1 381 205	1 477 912	1 776 785	1 974 473	2 324 973
NET ASSETS	10 529 790	13 716 012	11 299 071	12 686 708	14 110 024
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	7 121 271	6 516 099	4 098 657	5 485 794	6 908 611
Reserves	3 408 519	7 199 914	7 200 414	7 200 914	7 201 414
TOTAL COMMUNITY WEALTH/EQUITY	10 529 790	13 716 012	11 299 071	12 686 708	14 110 024

Table A7 Budgeted Cash Flows

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
CASH FLOW FROM OPERATING ACTIVITIES					
Receipts					
Property rates	341 609	341 609	406 106	438 595	473 682
Service charges	1 331 879	1 331 879	1 362 673	1 488 117	1 630 871
Other revenue	278 799	205 386	497 011	504 792	489 751
Government - operating	968 911	975 410	1 005 530	1 051 940	1 134 035
Government - capital	650 955	689 708	801 715	1 034 047	1 263 246
Interest	103 868	103 868	118 371	124 882	131 750
Dividends		-	-	-	-
Payments					
Suppliers and employees	(2 447 711)	(2 530 914)	(3 076 930)	(2 973 351)	(3 277 958)
Finance charges	(76 000)	(36 000)	(106 425)	(110 331)	(103 950)
Transfers and Grants	(5 720)	(9 720)	(11 000)	(11 000)	(11 000)
NET CASH FROM/(USED) OPERATING ACTIVITIES	1 146 590	1 071 227	997 051	1 547 691	1 730 427
CASH FLOWS FROM INVESTING ACTIVITIES					
Receipts					
Proceeds on disposal of PPE	28 700	28 700	-	-	-
Decrease (Increase) in non-current debtors		-	-	-	-
Decrease (increase) other non-current receivables		-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-
Payments					
Capital assets			(1 359 257)	(1 366 989)	(1 729 070)
NET CASH FROM/(USED) INVESTING ACTIVITIES	28 700	28 700	(1 359 257)	(1 366 989)	(1 729 070)
CASH FLOWS FROM FINANCING ACTIVITIES					
Receipts					
Short term loans		-	-	-	-
Borrowing long term/refinancing	310 000	205 000	475 000	-	198 000
Increase (decrease) in consumer deposits	40 000	40 000	-	-	-
Payments					
Repayment of borrowing	(151 000)	(151 000)	(75 977)	(83 313)	(77 614)
NET CASH FROM/(USED) FINANCING ACTIVITIES	199 000	94 000	399 023	(83 313)	120 386
NET INCREASE/ (DECREASE) IN CASH HELD	1 374 290	1 193 927	36 817	97 389	121 742
Cash/cash equivalents at the year begin:	98 038	18 013	10 000	46 817	144 205
Cash/cash equivalents at the year end:	1 472 328	1 211 939	46 817	144 205	265 948

Table A8 Cash backed reserves/accumulated surplus reconciliation

Description R thousand	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<u>Cash and investments available</u>					
Cash/cash equivalents at the year end	303 716	43 327	141 940	273 955	265 948
Other current investments > 90 days	61 755	153 711	327 144	333 144	110 000
Non current assets - Investments	123 200	248 578	158 200	163 200	213 200
Cash and investments available:	488 671	445 616	627 283	770 298	589 148
<u>Application of cash and investments</u>					
Unspent conditional transfers	54 823	120 158	46 198	52 585	57 585
Unspent borrowing	–	–			–
Statutory requirements		–			
Other working capital requirements	7 696	(39 034)	180 465	284 286	294 286
Other provisions	69 259	69 259			
Long term investments committed	123 200	–	158 200	163 200	193 200
Reserves to be backed by cash/investments	–	–	–	–	
Total Application of cash and investments:	254 978	150 382	384 862	500 071	545 071
Surplus(shortfall)	233 693	295 233	242 421	270 227	44 076

Table A9 Asset Management

Description R thousand	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
CAPITAL EXPENDITURE						
<u>Total New Assets</u>	866 209	610 695	610 695	1 201 215	1 138 087	1 247 053
<i>Roads Infrastructure</i>	269 950	84 847	84 847	161 915	180 200	143 800
<i>Storm water Infrastructure</i>	–	10 531	10 531	5 000	–	–
<i>Electrical Infrastructure</i>	71 900	41 400	41 400	63 903	156 000	186 500
<i>Water Supply Infrastructure</i>	270 338	158 838	158 838	263 363	367 446	483 532
<i>Sanitation Infrastructure</i>	132 035	(42 035)	(42 035)	364 485	253 000	183 840
<i>Solid Waste Infrastructure</i>	15 101	7 350	7 350	17 600	8 800	8 001
<i>Rail Infrastructure</i>	–	–	–	–	–	–
<i>Coastal Infrastructure</i>	–	–	–	–	–	–
<i>Information and Communication Infrastructure</i>	–	–	–	–	–	–
Infrastructure	759 324	260 931	260 931	876 266	965 446	1 005 673
Community Facilities	12 886	7 255	7 255	25 227	38 350	73 740
Sport and Recreation Facilities	40 249	17 018	17 018	23 040	15 000	9 200
Community Assets	53 135	24 273	24 273	48 267	53 350	82 940
Heritage Assets	–	–	–	–	–	–
Revenue Generating	10 000	–	–	–	–	–
Non-revenue Generating	–	11 500	11 500	6 000	18 500	51 500
Investment properties	10 000	11 500	11 500	6 000	18 500	51 500
Operational Buildings	5 500	89 202	89 202	400	–	1 900
Housing	–	2 000	2 000	–	–	–
Other Assets	5 500	91 202	91 202	400	–	1 900
Biological or Cultivated Assets	–	600	600	–	–	–
Servitudes	–	–	–	–	–	–
Licences and Rights	750	–	–	–	–	–
Intangible Assets	750	–	–	–	–	–
Computer Equipment	2 000	44 252	44 252	2 750	2 800	3 000
Furniture and Office Equipment	500	2 270	2 270	–	–	–
Machinery and Equipment	–	8 667	8 667	–	–	–
Transport Assets	35 000	167 000	167 000	267 532	97 991	102 040
Libraries	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–

Table A9 Asset Management Continued

Description R thousand	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Total Renewal of Existing Assets	290 823	194 488	194 488	237 557	129 241	136 440
<i>Roads Infrastructure</i>	106 380	105 744	105 744	162 532	105 991	102 040
<i>Storm water Infrastructure</i>	–	–	–	–	–	–
<i>Electrical Infrastructure</i>	12 250	6 100	6 100	4 300	1 000	11 000
<i>Water Supply Infrastructure</i>	134 000	67 644	67 644	10 000	–	–
<i>Sanitation Infrastructure</i>	–	–	–	46 300	–	–
<i>Solid Waste Infrastructure</i>	1 450	0	–	–	–	–
<i>Rail Infrastructure</i>	–	–	–	–	–	–
<i>Coastal Infrastructure</i>	–	–	–	–	–	–
<i>Information and Communication Infrastructure</i>	–	15 000	15 000	–	–	–
Infrastructure	254 080	194 488	194 488	223 132	106 991	113 040
Community Facilities	5 095	–	–	3 850	15 750	12 900
Sport and Recreation Facilities	–	–	–	1 575	–	–
Community Assets	5 095	–	–	5 425	15 750	12 900
Heritage Assets	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–
Operational Buildings	27 248	–	–	9 000	6 500	10 500
Housing	–	–	–	–	–	–
Other Assets	27 248	–	–	9 000	6 500	10 500
Biological or Cultivated Assets	–	–	–	–	–	–
Servitudes	–	–	–	–	–	–
Licences and Rights	3 000	–	–	–	–	–
Intangible Assets	3 000	–	–	–	–	–
Computer Equipment	–	–	–	–	–	–
Furniture and Office Equipment	–	–	–	–	–	–
Machinery and Equipment	–	–	–	–	–	–
Transport Assets	–	–	–	–	–	–
Libraries	1 400	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–

Table A9 Asset Management Continued

Description R thousand	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<u>Total Upgrading of Existing Assets</u>	73 086	426 196	426 196	160 065	270 399	533 300
<i>Roads Infrastructure</i>	32 386	26 682	26 682	105 494	113 000	213 000
<i>Storm water Infrastructure</i>	–	1 950	1 950	14 546	6 000	–
<i>Electrical Infrastructure</i>	–	10 250	10 250	975	10 000	10 000
<i>Water Supply Infrastructure</i>	12 500	189 536	189 536	10 925	111 998	284 600
<i>Sanitation Infrastructure</i>	–	147 035	147 035	–	–	–
<i>Solid Waste Infrastructure</i>	–	1 100	1 100	–	–	–
<i>Rail Infrastructure</i>	–	–	–	–	–	–
<i>Coastal Infrastructure</i>	–	–	–	–	–	–
<i>Information and Communication Infrastructure</i>	–	–	–	–	–	–
Infrastructure	44 886	376 553	376 553	131 940	240 998	507 600
Community Facilities	6 450	11 095	11 095	4 850	6 900	9 700
Sport and Recreation Facilities	10 000	19 000	19 000	7 775	17 000	–
Community Assets	16 450	30 095	30 095	12 625	23 900	9 700
Heritage Assets	–	800	800	–	–	–
Revenue Generating	–	–	–	–	–	12 000
Non-revenue Generating	–	–	–	–	–	–
Investment properties	–	–	–	–	–	12 000
Operational Buildings	5 000	11 148	11 148	8 500	2 001	–
Housing	–	–	–	–	–	–
Other Assets	5 000	11 148	11 148	8 500	2 001	–
Biological or Cultivated Assets	–	–	–	–	–	–
Servitudes	–	–	–	–	–	–
Licences and Rights	3 000	–	–	7 000	3 500	4 000
Intangible Assets	3 000	–	–	7 000	3 500	4 000
Computer Equipment	3 000	6 000	6 000	–	–	–
Furniture and Office Equipment	–	800	800	–	–	–
Machinery and Equipment	–	–	–	–	–	–
Transport Assets	–	–	–	–	–	–
Libraries	750	800	800	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–
<u>Total Capital Expenditure</u>	408 716	217 273	217 273	429 941	399 191	458 840
<i>Roads Infrastructure</i>	408 716	217 273	217 273	429 941	399 191	458 840
<i>Storm water Infrastructure</i>	–	12 481	12 481	19 546	6 000	–
<i>Electrical Infrastructure</i>	84 150	57 750	57 750	69 178	167 000	207 500
<i>Water Supply Infrastructure</i>	416 838	416 018	416 018	284 288	479 444	768 132
<i>Sanitation Infrastructure</i>	132 035	105 000	105 000	410 785	253 000	183 840
<i>Solid Waste Infrastructure</i>	16 551	8 450	8 450	17 600	8 800	8 001
<i>Rail Infrastructure</i>	–	–	–	–	–	–
<i>Coastal Infrastructure</i>	–	–	–	–	–	–
<i>Information and Communication Infrastructure</i>	–	15 000	15 000	–	–	–
Infrastructure	1 058 290	831 972	831 972	1 231 338	1 313 435	1 626 313

Table A9 Asset Management Continued

Description R thousand	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Community Facilities	24 431	18 350	18 350	33 927	61 000	96 340
Sport and Recreation Facilities	50 249	36 018	36 018	32 390	32 000	9 200
Community Assets	74 680	54 368	54 368	66 317	93 000	105 540
Heritage Assets	-	800	800	-	-	-
Revenue Generating	10 000	-	-	-	-	12 000
Non-revenue Generating	-	11 500	11 500	6 000	18 500	51 500
Investment properties	10 000	11 500	11 500	6 000	18 500	63 500
Operational Buildings	37 748	100 350	100 350	17 900	8 501	12 400
Housing	-	2 000	2 000	-	-	-
Other Assets	37 748	102 350	102 350	17 900	8 501	12 400
Biological or Cultivated Assets	-	600	600	-	-	-
Servitudes	-	-	-	-	-	-
Licences and Rights	6 750	-	-	7 000	3 500	4 000
Intangible Assets	6 750	-	-	7 000	3 500	4 000
Computer Equipment	5 000	50 252	50 252	2 750	2 800	3 000
Furniture and Office Equipment	500	3 070	3 070	-	-	-
Machinery and Equipment	-	8 667	8 667	-	-	-
Transport Assets	35 000	167 000	167 000	267 532	97 991	102 040
Libraries	2 150	800	800	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	1 230 118	1 231 379	1 231 379	1 430 797	1 572 974	2 278 173
EXPENDITURE OTHER ITEMS						
<u>Depreciation</u>	-	-	-	200 000	215 000	230 000
TOTAL EXPENDITURE OTHER ITEMS	-	-	-	200 000	215 000	230 000
<i>Renewal and upgrading of Existing Assets as % of</i>	29,6%	50,4%	50,4%	24,9%	26,0%	34,9%
<i>Renewal and upgrading of Existing Assets as % of</i>	0,0%	0,0%	0,0%	198,8%	185,9%	291,2%
<i>R&M as a % of PPE</i>	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
<i>Renewal and upgrading and R&M as a % of PPE</i>	3,0%	6,0%	0,0%	0,0%	0,0%	0,0%

Table SA1 - Supporting detail to budgeted financial performance

Description	Current Year 2017/18		2018/19 medium term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
REVENUE ITEMS:					
<u>Property rates</u>					
Total Property Rates	439 072	439 072	515 417	555 572	598 874
less Revenue Foregone (<i>exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA</i>)	50 880	50 880	53 933	57 169	60 599
Net Property Rates	388 192	388 192	461 484	498 403	538 275
<u>Service charges - electricity revenue</u>					
Total Service charges - electricity revenue	1 005 766	1 005 766	1 091 256	1 194 744	1 314 219
less Revenue Foregone (<i>in excess of 50 kwh per indigent household per month</i>)	33 467	33 467	36 312	39 580	43 538
less Cost of Free Basis Services (<i>50 kwh per indigent household per month</i>)	–	–	–	–	–
Net Service charges - electricity revenue	972 299	972 299	1 054 944	1 155 164	1 270 681
<u>Service charges - water revenue</u>					
Total Service charges - water revenue	350 915	258 375	290 672	320 467	352 513
month)	37 530	37 530	42 222	46 549	51 204
month)	–	–	–	–	–
Net Service charges - water revenue	313 385	220 845	248 450	273 918	301 309
<u>Service charges - sanitation revenue</u>					
Total Service charges - sanitation revenue	123 578	123 578	134 082	142 797	152 794
households)	29 082	29 082	31 554	33 605	35 958
households)	–	–	–	–	–
Net Service charges - sanitation revenue	94 496	94 496	102 528	109 192	116 836
<u>Service charges - refuse revenue</u>					
Total refuse removal revenue	128 479	128 479	139 400	148 461	158 853
Total landfill revenue	–	–	–	–	–
households)	24 380	24 380	26 453	28 172	30 144
households)	–	–	–	–	–
Net Service charges - refuse revenue	104 099	104 099	112 947	120 289	128 709
<u>Other Revenue by source</u>					
Total 'Other' Revenue	203 570	400 750	439 352	442 169	420 119

Table SA1 - Supporting detail to budgeted financial performance...continues

Description	Current Year 2017/18		2018/19 medium term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
EXPENDITURE ITEMS:					
<u>Employee related costs</u>					
Basic Salaries and Wages	474 547	474 547	532 291	565 008	591 514
Pension and UIF Contributions	100 925	100 925	107 989	115 549	123 637
Medical Aid Contributions	28 143	28 143	30 113	32 221	34 476
Overtime	39 679	56 855	39 679	42 060	44 583
Performance Bonus		–	–	–	–
Motor Vehicle Allowance		–	–	–	–
Cellphone Allowance	336	336	359	384	411
Housing Allowances	6 880	6 880	7 362	7 877	8 429
Other benefits and allowances	93 112	93 112	99 630	106 604	114 067
Payments in lieu of leave		–			
Long service awards		–			
Post-retirement benefit obligations		–			
sub-total	743 622	760 798	817 423	869 703	917 117
<u>Less: Employees costs capitalised to PPE</u>					
Total Employee related costs	743 622	760 798	817 423	869 703	917 117
<u>Depreciation & asset impairment</u>					
Depreciation of Property, Plant & Equipment	500 000	500 000	530 000	561 800	595 508
Lease amortisation		–			
Capital asset impairment		–			
Depreciation resulting from revaluation of PPE	315 000	315 000	330 000	346 800	365 508
Total Depreciation & asset impairment	185 000	185 000	200 000	215 000	230 000
<u>Bulk purchases</u>					
Electricity Bulk Purchases	661 052	661 052	710 631	753 269	798 466
Water Bulk Purchases	193 270	193 270	204 866	217 157	230 187
Total bulk purchases	854 322	854 322	915 497	970 426	1 028 653
<u>Transfers and grants</u>					
Cash transfers and grants	5 720	5 720	11 000	11 000	11 000
Non-cash transfers and grants	–	–	–	–	–
Total transfers and grants	5 720	5 720	11 000	11 000	11 000
<u>Contracted services</u>					
sub-total	330 136	726 898	782 976	750 879	730 269
Total contracted services	330 136	726 898	782 976	750 879	730 269
<u>Other Expenditure By Type</u>					
Total 'Other' Expenditure	405 339	265 605	299 345	316 255	333 271

Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)

Description R thousand	Vote 1 - COUNCIL	Vote 2 - Office of the Municipal Manger	Vote 3 - Strategic Planning Monitoring and Evaluation	Vote 4 - Engineering Services	Vote 5 - Community Services	Vote 6 - Community Development	Vote 7 - Corporate and Shared Services	Vote 8 - Planning and Economic Development	Vote 9 - Budget and Treasury	Vote 10 - Transport Operations	Total
Revenue By Source											
Property rates	–	–	–	–	–	–	–	–	461 484	–	461 484
Service charges - electricity revenue	–	–	–	1 054 944	–	–	–	–	–	–	1 054 944
Service charges - water revenue	–	–	–	248 450	–	–	–	–	–	–	248 450
Service charges - sanitation revenue	–	–	–	102 528	–	–	–	–	–	–	102 528
Service charges - refuse revenue	–	–	–	–	112 947	–	–	–	–	–	112 947
Service charges - other	–	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	–	–	–	–	1 923	8 526	–	26 848	–	–	37 297
Interest earned - external investments	–	–	–	–	–	–	–	–	47 281	–	47 281
Interest earned - outstanding debtors	–	–	–	–	–	–	–	–	80 000	–	80 000
Dividends received	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	–	–	–	137	15 735	128	–	–	–	–	16 000
Licences and permits	–	–	–	–	14 142	–	–	618	130	–	14 890
Agency services	–	–	–	–	25 000	–	–	–	–	–	25 000
Other revenue	–	–	–	117 093	14 378	2 879	5 334	31 335	268 333	–	439 352
Transfers and subsidies	–	–	–	–	–	–	–	–	1 005 530	–	1 005 530
Gains on disposal of PPE	–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and	–	–	–	1 523 153	184 125	11 533	5 334	58 801	1 862 758	–	3 645 704
Expenditure By Type											
Employee related costs	109 879	20 621	24 532	159 989	231 070	68 048	70 729	50 891	70 091	11 573	817 423
Remuneration of councillors	40 518	–	–	–	–	–	–	–	–	–	40 518
Debt impairment	75 000	–	–	–	–	–	–	–	–	–	75 000
Depreciation & asset impairment	262	1 246	2 071	79 067	5 692	82 858	5 239	22 361	892	312	200 000
Finance charges	–	–	–	–	–	–	–	–	107 500	–	107 500
Bulk purchases	–	–	–	915 497	–	–	–	–	–	–	915 497
Other materials	300	131	410	42 743	5 437	1 687	3 931	402	2 429	196	57 666
Contracted services	706	22 798	42 316	217 163	151 015	36 848	60 871	7 297	203 552	40 410	782 976
Transfers and subsidies	11 000	–	–	–	–	–	–	–	–	–	11 000
Other expenditure	32 293	6 905	3 517	25 988	18 092	31 272	90 468	3 322	84 546	2 943	299 346
Loss on disposal of PPE	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure	269 958	51 701	72 846	1 440 447	411 306	220 713	231 238	84 273	469 010	55 434	3 306 926
Surplus/(Deficit)	(269 958)	(51 701)	(72 846)	82 706	(227 181)	(209 180)	(225 904)	(25 472)	1 393 748	(55 434)	338 778
Transfers and subsidies - capital (monetary allocations)									801 715		801 715
Transfers and subsidies - capital (monetary allocations)											–
Transfers and subsidies - capital (in-kind - all)											–
Surplus/(Deficit) after capital transfers &	(269 958)	(51 701)	(72 846)	82 706	(227 181)	(209 180)	(225 904)	(25 472)	2 195 463	(55 434)	1 140 493

Table SA3 – Supporting detail to Statement of Financial Position

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
ASSETS					
<u>Call investment deposits</u>					
Call deposits					
Other current investments	99 000	99 000	104 000	110 000	110 000
Total Call investment deposits	99 000	99 000	104 000	110 000	110 000
<u>Consumer debtors</u>					
Consumer debtors	673 055	984 151	713 438	823 438	830 438
Less: Provision for debt impairment	(320 759)	(449 468)	(506 468)	(568 468)	(568 468)
Total Consumer debtors	352 296	534 683	206 970	254 970	261 970
<u>Debt impairment provision</u>					
Balance at the beginning of the year	220 759	394 468	449 468	506 468	721 468
Contributions to the provision	55 000	55 000	200 000	215 000	230 000
Bad debts written off		–			
Balance at end of year	275 759	449 468	649 468	721 468	951 468
<u>Property, plant and equipment (PPE)</u>					
PPE at cost/valuation (excl. finance leases)	20 228 885	22 069 391	22 119 387	23 558 323	25 378 397
Leases recognised as PPE	–	–	–	–	–
Less: Accumulated depreciation	9 937 351	11 204 312	10 342 703	10 357 703	10 587 703
Total Property, plant and equipment (PPE)	10 291 534	10 865 079	11 776 684	13 200 620	14 790 694
LIABILITIES					
<u>Current liabilities - Borrowing</u>					
Short term loans (other than bank overdraft)	2 499	2 499	2 499	2 499	2 499
Current portion of long-term liabilities	120 000	120 000	64 313	58 614	61 114
Total Current liabilities - Borrowing	122 499	122 499	66 812	61 113	63 613
<u>Trade and other payables</u>					
Trade and other creditors	350 000	470 446	400 000	450 000	455 000
Unspent conditional transfers	54 823	120 158	46 198	52 585	57 585
VAT		–	–	–	–
Total Trade and other payables	404 823	590 604	446 198	502 585	512 585
<u>Non current liabilities - Borrowing</u>					
Borrowing	448 013	283 878	638 258	728 258	1 028 258
Finance leases (including PPP asset element)	70 000	38 102	90 000	100 000	110 000
Total Non current liabilities - Borrowing	518 013	321 980	728 258	828 258	1 138 258
<u>Provisions - non-current</u>					
Retirement benefits	190 870	160 479	246 121	286 121	306 121
List other major provision items					
Refuse landfill site rehabilitation		64 274	64 774	65 274	65 774
Other		77 123	77 623	78 123	78 623
Total Provisions - non-current	190 870	301 875	388 517	429 517	450 517
CHANGES IN NET ASSETS					
<u>Accumulated Surplus/(Deficit)</u>					
Accumulated Surplus/(Deficit) - opening balance	6 080 312	6 516 099	7 341 190	8 481 683	9 972 126
GRAP adjustments					
Restated balance	6 080 312	6 516 099	7 341 190	8 481 683	9 972 126
Surplus/(Deficit)	1 040 959	1 098 269	1 140 493	1 490 443	1 871 834
Appropriations to Reserves					
Transfers from Reserves					
Depreciation offsets					
Other adjustments					
Accumulated Surplus/(Deficit)	7 121 271	7 614 368	8 481 683	9 972 126	11 843 960
<u>Reserves</u>					
Housing Development Fund					
Capital replacement					
Self-insurance					
Other reserves					
Revaluation	3 408 519	7 199 914	7 200 414	7 200 914	7 201 414
Total Reserves	3 408 519	7 199 914	7 200 414	7 200 914	7 201 414
TOTAL COMMUNITY WEALTH/EQUITY	10 529 790	14 814 282	15 682 097	17 173 040	19 045 374

Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand							
Develop and refurbish infrastructural services	Improved provision of basic and environmental services in a sustainable way to our communities	1 435 756	1 391 739	1 391 739	1 523 153	1 651 620	1 813 480
Create a conducive economic environment	Increased economic growth, job creation and sustainable human settlement	71 800	388 192	388 192	58 801	62 112	65 714
Enhance revenue and asset base	Enhanced Financial Viability and Improved Financial Management	2 241 980	206 310	206 310	2 664 473	3 160 715	3 312 497
Facilitate, care and support communities	Improve community confidence in the system of local government	188 649	1 665 118	1 665 118	195 658	207 927	221 571
Invest in human capital and retain skills	Improve efficiency and effectiveness of Municipal administration	5 033	400 750	400 750	5 334	5 654	5 994
Allocations to other priorities							
Total Revenue (excluding capital transfers and contributions)		3 943 217	4 052 109	4 052 109	4 447 418	5 088 027	5 419 258

Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand							
Develop and refurbish infrastructural services	Improved provision of basic and environmental services in a sustainable way to our communities	1 559 037	1 559 037	1 559 037	1 440 447	1 510 803	1 572 008
Create a conducive economic environment	Increased economic growth, job creation and sustainable human settlement	75 884	75 884	75 884	84 273	86 109	89 815
Enhance revenue and asset base	Enhanced Financial Viability and Improved Financial Management	322 347	322 347	322 347	469 010	497 042	469 038
Plan sustainable integrated settlements	Increased economic growth, job creation and sustainable human settlement	30 942	30 942	30 942	8 669	9 183	9 729
Preserve natural resources	Improved provision of basic and environmental services in a sustainable way to our communities	10 363	10 363	10 363	2 525	2 676	2 837
Facilitate, care and support communities	Improve community confidence in the system of local government	495 636	495 636	495 636	632 019	662 663	695 560
Invest in human capital and retain skills	Improve efficiency and effectiveness of Municipal administration	5 033	5 033	5 033	231 238	241 921	254 902
Practice good governance	Improve efficiency and effectiveness of Municipal administration	403 017	454 599	454 599	438 744	417 187	453 535
Total Expenditure		2 902 258	2 953 840	2 953 840	3 306 925	3 427 584	3 547 424

Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
			Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand								
Develop and refurbish infrastructural services	Improved provision of basic and environmental services in a sustainable way to our communities	A	1 041 636	109 550	109 550	1 313 130	1 310 835	1 621 633
Create a conducive economic environment	Increased economic growth, job creation and sustainable human settlement	B	10 000	96 155	96 155	7 000	13 500	55 650
Enhance revenue and asset base	Enhanced Financial Viability and Improved Financial Management	C	6 151	436 356	436 356	8 500	2 001	–
Plan sustainable integrated settlements	Increased economic growth, job creation and sustainable human settlement	D						
Preserve natural resources	Improved provision of basic and environmental services in a sustainable way to our communities	E				5 850	17 100	
Facilitate, care and support communities	Improve community confidence in the system of local government	F	128 581	589 318	589 318	89 317	82 000	87 141
Invest in human capital and retain skills	Improve efficiency and effectiveness of Municipal administration	G	43 750			7 000	13 500	55 650
Total Capital Expenditure			1 230 118	1 231 379	1 231 379	1 430 797	1 438 936	1 820 074

Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<u>Borrowing Management</u>							
Credit Rating							
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating	8,0%	6,5%	6,5%	5,5%	5,7%	5,1%
Capital Charges to Own Revenue	Finance charges & Repayment of	9,9%	8,0%	9,6%	6,9%	6,9%	6,0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl.	53,5%	37,8%	37,8%	44,7%	0,0%	0,0%
<u>Safety of Capital</u>							
Gearing	Long Term Borrowing/ Funds &	15,2%	4,5%	4,5%	7,4%	6,8%	8,4%
<u>Liquidity</u>							
Current Ratio	Current assets/current liabilities	1,2	2,2	2,2	2,2	2,3	2,4
Current Ratio adjusted for aged debtors	Current assets less debtors > 90	1,2	2,2	2,2	2,2	2,3	2,4
Liquidity Ratio	Monetary Assets/Current Liabilities	0,5	0,2	0,2	0,2	0,4	0,5
<u>Revenue Management</u>							
Annual Debtors Collection Rate (Payment	Last 12 Mths Receipts/Last 12 Mths	0,0%	89,4%	94,0%	94,0%	89,3%	89,3%
Current Debtors Collection Rate (Cash		89,4%	94,0%	94,0%	89,3%	89,3%	89,3%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual	11,9%	45,6%	76,4%	34,7%	34,2%	31,9%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total						
<u>Creditors Management</u>							
Creditors System Efficiency	% of Creditors Paid Within Terms						
Creditors to Cash and Investments		23,8%	38,8%	38,8%	854,4%	312,1%	171,1%
Employee costs	Employee costs/(Total Revenue - capital	22,6%	22,6%	37,9%	22,4%	22,4%	22,1%
Remuneration	Total remuneration/(Total Revenue -	24,2%	22,9%	38,4%	23,8%	22,7%	22,3%
Repairs & Maintenance	R&M/(Total Revenue excluding capital	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	8,0%	6,7%	11,2%	8,4%	8,4%	8,1%
<u>IDP regulation financial viability indicators</u>							
i. Debt coverage	(Total Operating Revenue - Operating	9,1	9,1	9,1	12,7	13,5	14,4
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual	20,6%	84,5%	84,5%	62,7%	60,4%	55,4%
iii. Cost coverage	(Available cash + Investments)/monthly	8,0	6,0	6,0	0,2	0,6	1,1

Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Basis of calculation	2001 Census	2007 Survey	2011 Census	Current Year 2017/18	2018/19 Medium Term Revenue & Expenditure Framework		
					Original Budget	Outcome	Outcome	Outcome
Demographics								
Population	Stats SA Estimates	508		629	651	667	684	701
Females aged 5 - 14	Stats SA Estimates	47		58	61	62	64	65
Males aged 5 - 14	Stats SA Estimates	48		60	62	63	65	67
Females aged 15 - 34	Stats SA Estimates	100		123	128	131	134	137
Males aged 15 - 34	Stats SA Estimates	100		123	128	131	134	137
Unemployment	Stats SA Estimates	211		204	211	216	222	227
Monthly household income (no. of households)								
No income	Stats SA	21 485		24 585	24 585	25 200	25 830	26 475
R1 - R1 600	Stats SA	7 473		8 551	8 551	8 765	8 984	9 208
R1 601 - R3 200	Stats SA	13 234		15 051	15 051	15 427	15 813	16 208
R3 201 - R6 400	Stats SA	30 048		34 367	34 367	35 226	36 107	37 010
R6 401 - R12 800	Stats SA	30 671		35 053	35 053	35 929	36 828	37 748
R12 801 - R25 600	Stats SA	18 216		20 794	20 794	21 314	21 847	22 393
R25 601 - R51 200	Stats SA	12 611		14 454	14 454	14 815	15 186	15 565
R52 201 - R102 400	Stats SA	11 210		12 900	12 900	13 223	13 553	13 892
R102 401 - R204 800	Stats SA	7 162		8 201	8 201	8 406	8 616	8 832
R204 801 - R409 600	Stats SA	2 491		2 834	2 834	2 905	2 977	3 052
R409 601 - R819 200	Stats SA	623		691	691	708	726	744
> R819 200	Stats SA	467		510	510	523	536	549
Household/demographics (000)								
Number of people in municipal area		508 277		628 999	629	645	661	677
Number of households in municipal area		124 978		130 361	178	182	187	192
Housing statistics								
Formal		99 107		110 285	171 539	175 827	180 223	184 729
Informal		25 871		20 076	6 462	6 624	6 789	6 959
Total number of households		124 978	-	130 361	178 001	182 451	187 012	191 688

Supporting Table SA9 Social, economic and demographic statistics and assumptions

Total municipal services	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Household service targets (000)					
<u>Water:</u>					
Piped water inside dwelling	58 189	58 189	61 680	65 381	69 304
Piped water inside yard (but not in dwelling)	57 524	57 524	60 976	64 634	68 513
Using public tap (at least min.service level)	67 754	67 754	71 819	76 128	80 696
Other water supply (at least min.service level)	44 639	44 639	47 318	50 157	53 166
<i>Minimum Service Level and Above sub-total</i>	228 106	228 106	241 793	256 300	271 678
Total number of households	228 106	228 106	241 793	256 300	271 678
<u>Sanitation/sewerage:</u>					
Flush toilet (connected to sewerage)	53 769	53 769	56 995	60 414	64 039
Flush toilet (with septic tank)	5 443	5 443	5 770	6 116	6 483
Chemical toilet	2 018	2 018	2 139	2 267	2 403
Pit toilet (ventilated)	45 139	45 139	47 847	50 718	53 761
Other toilet provisions (> min.service level)	–	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>	106 369	106 369	112 751	119 516	126 687
Bucket toilet	–	–	–	–	–
Other toilet provisions (< min.service level)	–	–	–	–	–
No toilet provisions	130 107	130 107	137 913	146 188	154 959
<i>Below Minimum Service Level sub-total</i>	130 107	130 107	137 913	146 188	154 959
Total number of households	236 476	236 476	250 665	265 704	281 647
<u>Energy:</u>					
Electricity (at least min.service level)	106 018	106 018	112 379	119 121	126 269
Electricity - prepaid (min.service level)	91 667	91 667	97 167	102 997	109 177
<i>Minimum Service Level and Above sub-total</i>	197 685	197 685	209 546	222 119	235 446
Electricity (< min.service level)	17 558	17 558	18 611	19 728	20 911
Electricity - prepaid (< min. service level)	19 282	19 282	20 439	21 665	22 965
Other energy sources	1 952	1 952	2 069	2 193	2 324
<i>Below Minimum Service Level sub-total</i>	38 791	38 791	41 119	43 586	46 201
Total number of households	236 476	236 476	250 665	265 704	281 647
<u>Refuse:</u>					
Removed at least once a week	122 223	122 223	129 556	137 330	145 569
<i>Minimum Service Level and Above sub-total</i>	122 223	122 223	129 556	137 330	145 569
Total number of households	122 223	122 223	129 556	137 330	145 569

Municipal in-house services	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Household service targets (000)					
<u>Water:</u>					
Piped water inside dwelling	58 189	58 189	61 680	65 381	69 304
Piped water inside yard (but not in dwelling)	57 524	57 524	60 976	64 634	68 513
Using public tap (at least min.service level)	67 754	67 754	71 819	76 128	80 696
Other water supply (at least min.service level)	44 639	44 639	47 318	50 157	53 166
<i>Minimum Service Level and Above sub-total</i>	228 106	228 106	241 793	256 300	271 678
Using public tap (< min.service level)					
Other water supply (< min.service level)					
No water supply					
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-
Total number of households	228 106	228 106	241 793	256 300	271 678
<u>Sanitation/sewerage:</u>					
Flush toilet (connected to sewerage)	53 769	53 769	56 995	60 414	64 039
Flush toilet (with septic tank)	5 443	5 443	5 770	6 116	6 483
Chemical toilet	2 018	2 018	2 139	2 267	2 403
Pit toilet (ventilated)	45 139	45 139	47 847	50 718	53 761
Other toilet provisions (> min.service level)					
<i>Minimum Service Level and Above sub-total</i>	106 369	106 369	112 751	119 516	126 687
Bucket toilet					
Other toilet provisions (< min.service level)					
No toilet provisions	130 107	130 107	137 913	146 188	154 959
<i>Below Minimum Service Level sub-total</i>	130 107	130 107	137 913	146 188	154 959
Total number of households	236 476	236 476	250 665	265 704	281 647
<u>Energy:</u>					
Electricity (at least min.service level)	106 018	106 018	112 379	119 121	126 269
Electricity - prepaid (min.service level)	91 667	91 667	97 167	102 997	109 177
<i>Minimum Service Level and Above sub-total</i>	197 685	197 685	209 546	222 119	235 446
Electricity (< min.service level)	17 558	17 558	18 611	19 728	20 911
Electricity - prepaid (< min. service level)	19 282	19 282	20 439	21 665	22 965
Other energy sources	1 952	1 952	2 069	2 193	2 324
<i>Below Minimum Service Level sub-total</i>	38 791	38 791	41 119	43 586	46 201
Total number of households	236 476	236 476	250 665	265 704	281 647
<u>Refuse:</u>					
Removed at least once a week	122 223	122 223	129 556	137 330	145 569
<i>Minimum Service Level and Above sub-total</i>	122 223	122 223	129 556	137 330	145 569
Removed less frequently than once a week					
Using communal refuse dump					
Using own refuse dump					
Other rubbish disposal					
No rubbish disposal					
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-
Total number of households	122 223	122 223	129 556	137 330	145 569

Polokwane Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
			Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Funding measures							
Cash/cash equivalents at the year end - R'000	18(1)b	1	303 716	43 327	46 817	144 205	265 948
Cash year end/monthly employee/supplier payments	18(1)b	3	1,7	0,2	0,2	0,6	1,1
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	1 040 959	1 098 269	1 140 493	1 490 443	1 871 834
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	(6,0%)	(10,9%)	5,3%	2,9%	3,2%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	87,3%	80,2%	87,4%	87,4%	87,4%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	2,9%	3,1%	3,8%	3,7%	3,5%
Capital payments % of capital expenditure	18(1)c;19	8	95,0%	94,9%	95,0%	95,0%	95,0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	53,5%	37,8%	43,7%	0,0%	0,0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10			0,0%	0,0%	0,0%
Current consumer debtors % change - incr(decr)	18(1)a	11	291,6%	290,5%	(17,5%)	4,9%	0,0%
Long term receivables % change - incr(decr)	18(1)a	12	(100,0%)	0,0%	(100,0%)	0,0%	0,0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	0,0%	0,0%	0,0%	0,0%	0,0%
Asset renewal % of capital budget	20(1)(vi)	14	23,6%	15,8%	16,6%	9,0%	7,5%

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Total Operating Revenue	3 292 262	3 362 401	3 645 703	3 883 980	4 156 012
Total Operating Expenditure	2 902 258	2 953 840	3 306 925	3 427 584	3 547 424
Operating Performance Surplus/(Deficit)	390 004	408 561	338 778	456 396	608 588
Revenue					
% Increase in Total Operating Revenue	68,3%	2,1%	8,4%	6,5%	7,0%
% Increase in Property Rates Revenue	0,0%	0,0%	18,9%	8,0%	8,0%
% Increase in Electricity Revenue	0,0%	0,0%	8,5%	9,5%	10,0%
% Increase in Property Rates & Services Charges	0,0%	(4,9%)	11,3%	8,9%	9,2%
Expenditure					
% Increase in Total Operating Expenditure	737,9%	1,8%	12,0%	3,6%	3,5%
% Increase in Employee Costs	0,0%	2,3%	7,4%	6,4%	5,5%
% Increase in Electricity Bulk Purchases	0,0%	0,0%	7,5%	6,0%	6,0%
Average Cost Per Budgeted Employee Position (Remuneration)	439752,7089		392991,8269		
Average Cost Per Councillor (Remuneration)	423911,1111		450200		
R&M % of PPE	0,0%	0,0%	0,0%	0,0%	0,0%
Asset Renewal and R&M as a % of PPE	3,0%	6,0%	0,0%	0,0%	0,0%
Debt Impairment % of Total Billable Revenue	2,9%	3,1%	3,8%	3,7%	3,5%
Capital Revenue					
Internally Funded & Other (R'000)	340 163	407 671	354 082	590 339	1 066 339
Borrowing (R'000)	239 000	134 000	275 000	–	–
Grant Funding and Other (R'000)	650 955	689 708	801 715	982 635	1 211 834
Internally Generated funds % of Non Grant Funding	58,7%	75,3%	56,3%	100,0%	100,0%
Borrowing % of Non Grant Funding	41,3%	24,7%	43,7%	0,0%	0,0%
Grant Funding % of Total Funding	52,9%	56,0%	56,0%	62,5%	53,2%
Capital Expenditure					
Total Capital Programme (R'000)	1 230 118	1 231 379	1 430 797	1 438 936	1 820 074
Asset Renewal	290 823	194 488	237 557	129 241	136 440
Asset Renewal % of Total Capital Expenditure	23,6%	15,8%	16,6%	8,2%	6,0%
Cash					
Cash Receipts % of Rate Payer & Other	87,3%	80,2%	87,4%	87,4%	87,4%
Cash Coverage Ratio	0	0	0	0	0
Borrowing					
Credit Rating (2009/10)			0		
Capital Charges to Operating	8,0%	6,5%	5,5%	5,7%	5,1%
Borrowing Receipts % of Capital Expenditure	53,5%	37,8%	43,7%	0,0%	0,0%
Reserves					
Surplus/(Deficit)	356 893	1 016 392	579 635	644 970	785 354
Free Services					
Free Basic Services as a % of Equitable Share	0,0%	0,0%	0,0%	0,0%	0,0%
Free Services as a % of Operating Revenue (excl operational transfers)	7,5%	7,3%	7,2%	7,2%	7,3%
High Level Outcome of Funding Compliance					
Total Operating Revenue	3 292 262	3 362 401	3 645 703	3 883 980	4 156 012
Total Operating Expenditure	2 902 258	2 953 840	3 306 925	3 427 584	3 547 424
Surplus/(Deficit) Budgeted Operating Statement	390 004	408 561	338 778	456 396	608 588
Surplus/(Deficit) Considering Reserves and Cash Backing	356 893	1 016 392	579 635	644 970	785 354
MTREF Funded (1) / Unfunded (0)	1	1	1	1	1
MTREF Funded ✓ / Unfunded ✗	✓	✓	✓	✓	✓

Supporting Table SA11 Property rates summary

Description	2018/19 Medium Term Revenue & Expenditure Framework		
	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Valuation:			
Date of valuation:	1/7/2014		
Financial year valuation used	No		
Municipal by-laws s6 in place? (Y/N)	No		
Municipal/assistant valuer appointed? (Y/N)			
Municipal partnership s38 used? (Y/N)			
Supplementary valuation			
Public service infrastructure value (Rm)	379		
Municipality owned property value (Rm)	1 586		
Total valuation reductions:	-	-	-
Total value used for rating (Rm)	54 187	54 187	54 187
Total land value (Rm)			
Total value of improvements (Rm)			
Total market value (Rm)	54 187	54 187	54 187
Rating:			
Residential rate used to determine rate for other categories? (Y/N)			
Differential rates used? (Y/N)			
Limit on annual rate increase (s20)? (Y/N)	No	No	No
Special rating area used? (Y/N)			
Phasing-in properties s21 (number)	No	No	No
Rates policy accompanying budget? (Y/N)			
Fixed amount minimum value (R'000)			
Non-residential prescribed ratio s19? (%)			
Rate revenue:			
Rate revenue budget (R '000)	461 484	498 403	538 275
Rate revenue expected to collect (R'000)	406 106	438 595	473 682
Expected cash collection rate (%)	88,0%	88,0%	88,0%
Special rating areas (R'000)			
Rebates, exemptions - indigent (R'000)			
Rebates, exemptions - pensioners (R'000)			
Rebates, exemptions - bona fide farm. (R'000)			
Rebates, exemptions - other (R'000)			
Phase-in reductions/discounts (R'000)			
Total rebates,exemptns,reductns,discs (R'000)	-	-	-

Supporting Table SA12a Property rates by category (current year)

Description	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.
Current Year 2017/18									
Valuation:									
No. of properties	52 071	235	2 949	2 230		1 791	109	7 616	2
No. of sectional title property values									
Years since last valuation (select)	2	2	2	2	2	2	2	2	2
Frequency of valuation (select)	4	4	4	4	4	4	4	4	4
Method of valuation used (select)	Market	Market	Market	Market	Market	Market	Market	Market	Market
Base of valuation (select)	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.
Phasing-in properties s21 (number)									
Combination of rating types used? (Y/N)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Flat rate used? (Y/N)	No	No	No	No	No	No	No	No	No
Is balance rated by uniform rate/variable rate?									
Total valuation reductions:									
Total value used for rating (Rm)	26 485	1 159	21 514	6 328		735	386	2 064	3
Total land value (Rm)									
Total value of improvements (Rm)									
Total market value (Rm)	26 485	1 159	21 514	6 328		735	386	2 064	3
Rating:									
Average rate	0,004700	0,009400	0,009400	0,001183		–	0,001183	0,021290	
Rate revenue budget (R '000)	150 065	24 100	166 481	11 105	–	–	580	35 861	
Rate revenue expected to collect (R'000)	132 057	21 208	146 503	9 772	–	–	510	31 558	
Expected cash collection rate (%)	88,0%	88,0%	88,0%	88,0%	88,0%	88,0%	88,0%	88,0%	
Special rating areas (R'000)									

Supporting Table SA12b Property rates by category (budget year)

Description	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.
Budget Year 2017/18									
Valuation:									
No. of properties	52 071	235	2 949	2 230		1 791	109	7 616	2
Years since last valuation (select)	2	2	2	2	2	2	2	2	2
Frequency of valuation (select)	4	4	4	4	4	4	4	4	4
Method of valuation used (select)	Market	Market	Market	Market	Market	Market	Market	Market	Market
Base of valuation (select)	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.
Phasing-in properties s21 (number)									
Combination of rating types used? (Y/N)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Flat rate used? (Y/N)	No	No	No	No	No	No	No	No	No
Is balance rated by uniform rate/variable rate?									
Total valuation reductions:									
Total value used for rating (Rm)	26 485	1 159	21 514	6 328		735	386	2 064	3
Total land value (Rm)									
Total value of improvements (Rm)									
Total market value (Rm)	26 485	1 159	21 514	6 328		735	386	2 064	3
Rating:									
Average rate	0,004982	0,009964	0,009964	0,001254	–	–	0,001254	0,022567	
Rate revenue budget (R '000)	178 397	28 651	197 913	13 201	–	–	689	42 632	
Rate revenue expected to collect (R'000)	156 990	25 213	174 163	11 617	–	–	607	37 516	
Expected cash collection rate (%)	88,0%	88,0%	88,0%	88,0%	88,0%	88,0%	88,0%	88,0%	
Special rating areas (R'000)									

Supporting Table SA13a Service Tariffs by category

Description	Current Year 2017/18	2018/19 Medium Term Revenue & Expenditure Framework		
		Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<u>Property rates (rate in the Rand)</u>				
Residential properties	0,0054	0,0057	0,0061	0,0064
Residential properties - vacant land	0,0245	0,0260	0,0275	0,0292
Formal/informal settlements		-	-	-
Small holdings	0,0054	0,0057	0,0061	0,0064
Farm properties - used	0,0014	0,0014	0,0015	0,0016
Farm properties - not used	0,0108	0,0115	0,0121	0,0129
Industrial properties	0,0108	0,0115	0,0121	0,0129
Business and commercial properties	0,0108	0,0115	0,0121	0,0129
State-owned properties	0,0108	0,0115	0,0121	0,0129
Municipal properties	-	-	-	-
Public service infrastructure	0,0108	0,0115	0,0121	0,0129
Privately owned towns serviced by the owner	-	-	-	-
State trust land	0,0014	0,0014	0,0015	0,0016
Restitution and redistribution properties	0,0014	0,0014	0,0015	0,0016
<u>Exemptions, reductions and rebates (Rands)</u>				
<u>Residential properties</u>				
R15 000 threshold rebate	15 000	15 000	15 000	15 000
General residential rebate	85 000	85 000	85 000	85 000
<u>Other rebates or exemptions</u>				
<u>Water tariffs</u>				
<u>Domestic</u>				
Water usage - life line tariff	7	8	9	10
Water usage - Block 1 (c/kl)	11	12	13	14
Water usage - Block 2 (c/kl)	12	13	14	16
Water usage - Block 3 (c/kl)	15	17	19	21
Water usage - Block 4 (c/kl)	19	20	23	25
<u>Other</u>	22	25	27	30
<u>Waste water tariffs</u>				
<u>Domestic</u>				
Service point - vacant land (Rands/month)		-	-	-
Waste water - flat rate tariff (c/kl)		-	-	-
Volumetric charge - Block 1 (c/kl)	48	50	53	57
Volumetric charge - Block 2 (c/kl)	16	17	18	19
Volumetric charge - Block 3 (c/kl)	13	13	14	15
Volumetric charge - Block 4 (c/kl)				
<u>Other</u>				
<u>Electricity tariffs</u>				
<u>Domestic</u>				
Basic charge/fixed fee (Rands/month)	80	86	94	103
Life-line tariff - meter	91.46c	99	108	119
Life-line tariff - prepaid	91.46c	99	108	119
Meter - IBT Block 1 (c/kwh)	83c	90	98	108
Meter - IBT Block 2 (c/kwh)	104c	113	123	135
Meter - IBT Block 3 (c/kwh)	153c	166	181	199
Meter - IBT Block 4 (c/kwh)	177c	192	209	230
Prepaid - IBT Block 1 (c/kwh)	83c	90	98	108
Prepaid - IBT Block 2 (c/kwh)	104c	113	123	135
Prepaid - IBT Block 3 (c/kwh)	153c	166	181	199
Prepaid - IBT Block 4 (c/kwh)	177c	192	209	230
Prepaid - IBT Block 5 (c/kwh)				
<u>Waste management tariffs</u>				
<u>Domestic</u>				
Basic charge/fixed fee	50	53	56	60
80l bin - once a week	106	112	119	126
250l bin - once a week	836	886	940	996

Supporting Table SA13b Service Tariffs by category

Description	Current Year 2017/18	2018/19 Medium Term Revenue & Expenditure Framework		
		Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<u>Exemptions, reductions and rebates</u> (Rands)				
<i>Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>	50 880 000	53 932 800	57 168 768	60 598 894
<u>Water tariffs</u>				
<i>Revenue Foregone (in excess of 6 kilolitres per indigent household per month)</i>	8 040 000	8 884 200	9 794 831	10 774 314
<u>Waste water tariffs</u>				
<i>Revenue Foregone (in excess of free sanitation service to indigent households)</i>	14 541 144	16 358 787	18 035 563	19 839 119
<u>Electricity tariffs</u>				
<i>Revenue Foregone (in excess of 50 kwh per indigent household per month)</i>	8 040 000	23 924 250	26 077 433	28 685 176

Supporting Table SA14 Household bills

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework			
	Original Budget	Adjusted Budget	Budget Year 2018/19 % incr.	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Rand/cent						
<u>Monthly Account for Household - 'Middle Income Range'</u>						
Rates and services charges:						
Property rates	270,27	270,27	6,0%	286,49	303,68	321,90
Electricity: Basic levy	82,28	82,28	8,5%	89,27	97,31	107,04
Electricity: Consumption	1 405,98	1 405,98	8,5%	1 525,48	1 662,78	1 829,06
Water: Basic levy	–	–				
Water: Consumption	328,88	328,88	10,5%	363,41	400,66	440,73
Sanitation	63,30	63,30	6,0%	67,09	71,12	75,39
Refuse removal	105,66	105,66	6,0%	112,00	118,72	125,84
Other	110,00	110,00	6,0%	116,60	123,60	131,01
sub-total	2 366,36	2 366,36	8,2%	2 560,35	2 777,86	3 030,96
VAT on Services	293,45	293,45		314,43	341,14	372,22
Total large household bill:	2 659,81	2 659,81	8,1%	2 874,78	3 119,00	3 403,18
% increase/-decrease	6,2%	–		8,1%	8,5%	9,1%
<u>Monthly Account for Household - 'Affordable Range'</u>						
Rates and services charges:						
Property rates	180,17	180,17	6,0%	190,99	202,44	214,59
Electricity: Basic levy	82,28	82,28	8,5%	89,27	97,31	107,04
Electricity: Consumption	592,59	592,59	8,5%	642,96	700,83	770,91
Water: Basic levy	–	–				
Water: Consumption	268,68	268,68	10,5%	296,89	327,32	360,06
Sanitation	63,30	63,30	6,0%	67,09	71,12	75,39
Refuse removal	105,66	105,66	6,0%	112,00	118,72	125,84
Other	55,00	55,00	6,0%	58,30	61,80	65,51
sub-total	1 347,68	1 347,68	8,1%	1 457,50	1 579,54	1 719,33
VAT on Services	163,45	163,45		178,99	193,98	211,15
Total small household bill:	1 511,13	1 511,13	8,3%	1 636,49	1 773,52	1 930,47
% increase/-decrease	7,1%	–		8,3%	8,4%	8,9%
<u>Monthly Account for Household - 'Indigent Household receiving free basic services'</u>						
Rates and services charges:						
Property rates	91,33	91,33	6,0%	96,81	102,62	108,78
Electricity: Basic levy	82,28	82,28	8,5%	89,27	97,31	107,04
Electricity: Consumption	337,59	337,59	8,5%	366,29	399,25	439,18
Water: Basic levy	–	–				
Water: Consumption	160,49	160,49	10,5%	177,35	195,52	215,08
Sanitation	–	–	6,0%	–	–	–
Refuse removal	39,47	39,47	6,0%	41,84	44,35	47,01
Other	–	–	6,0%	–	–	–
sub-total	711,17	711,17	8,5%	771,56	839,05	917,08
VAT on Services	86,78	86,78		94,75	103,04	112,62
Total small household bill:	797,94	797,94	8,6%	866,31	942,10	1 029,70
% increase/-decrease	10,0%	–		8,6%	8,7%	9,3%

Supporting Table SA15 Investment particulars by type

Investment type	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
Parent municipality					
Securities - National Government					
Listed Corporate Bonds					
Deposits - Bank	74 001	74 001			
Deposits - Public Investment Commissioners					
Deposits - Corporation for Public Deposits					
Bankers Acceptance Certificates					
Negotiable Certificates of Deposit - Banks					
Guaranteed Endowment Policies (sinking)	69 000	69 000	96 000	101 760	107 866
Repurchase Agreements - Banks					
Municipal Bonds					
Consolidated total:	143 001	143 001	96 000	101 760	107 866

Investments for the municipality are done in accordance and adherence with the Municipal Investment Regulation of the MFMA, Councils Investment Policy and other relevant legislation. Cash flow forecasts and cash needs by the city provide guidance for the type of investments employed.

The investments are made with primary regard to the risk profile, liquidity needs of the city and the return on

investments. In so far as the investment and borrowing activities are concerned, all the requirements of the MFMA have been complied with.

Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
Parent municipality					
Annuity and Bullet Loans	518 013	321 980	728 258	828 258	1 138 258
Long-Term Loans (non-annuity)					
Local registered stock					
Instalment Credit					
Financial Leases					
PPP liabilities					
Finance Granted By Cap Equipment Supplier					
Marketable Bonds					
Non-Marketable Bonds					
Bankers Acceptances					
Financial derivatives					
Other Securities					
Total Borrowing	518 013	321 980	728 258	828 258	1 138 258

Supporting Table SA18 Transfers and grant receipts

Description R thousand	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
RECEIPTS:					
<u>Operating Transfers and Grants</u>					
National Government:	968 911	975 410	1 005 530	1 051 940	1 134 035
Local Government Equitable Share	752 064	752 064	831 436	915 810	1 010 785
EPWP Incentive	4 978	4 978	5 742		
Integrated National Electrification Programme	40 000	40 000	38 957	28 800	25 600
Finance Management	2 979	2 979	3 048	2 500	2 500
Municipal Infrastructure Grant (MIG)	59 011	88 780	59 149	59 500	44 000
Public Transport and Systems	94 622	71 352	42 575	30 030	35 850
Infrastructure skills development fund	6 213	6 213	6 500	7 300	7 300
Energy Efficiency and Demand Management	6 000	6 000	8 000	8 000	8 000
Municipal Demarcation Transition Grant	3 044	3 044			
Water Services Infrastructure Grant			1 400		
Regional Bulk Infrastructure Grant (RBIG)			8 723		
Total Operating Transfers and Grants	968 911	975 410	1 005 530	1 051 940	1 134 035
<u>Capital Transfers and Grants</u>					
National Government:	650 955	689 708	801 715	1 034 047	1 263 246
Municipal Infrastructure Grant (MIG)	293 167	291 893	271 728	278 646	314 253
Public Transport Network Grant (PTNG)	122 112	147 112	162 532	149 403	153 452
Regional Bulk Infrastructure Grant (RBIG)	209 676	209 676	263 855	460 998	644 491
Neighbourhood Development Partnership Grant (NDPG)	26 000	41 027	35 000	35 000	35 000
Water Services Infrastructure Grant	–	–	68 600	110 000	116 050
Other capital transfers/grants [insert desc]					
Total Capital Transfers and Grants	650 955	689 708	801 715	1 034 047	1 263 246
TOTAL RECEIPTS OF TRANSFERS & GRANTS	1 619 866	1 665 118	1 807 245	2 085 987	2 397 281

Supporting Table SA19 Expenditure on transfers and grant programme

Description R thousand	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
EXPENDITURE:					
<u>Operating expenditure of Transfers and Grants</u>					
National Government:	959 867	959 867	987 407	1 043 940	1 126 035
Local Government Equitable Share	752 064	752 064	831 436	915 810	1 010 785
EPWP Incentive	4 978	4 978	5 742	–	–
Integrated National Electrification Programme	40 000	40 000	38 957	28 800	25 600
Finance Management	2 979	2 979	3 048	2 500	2 500
Municipal Infrastructure Grant (MIG)	59 011	59 011	59 149	59 500	44 000
Public Transport and Systems	94 622	94 622	42 575	30 030	35 850
Infrastructure skills development fund	6 213	6 213	6 500	7 300	7 300
Energy Efficiency and Demand Management	6 000	6 000	8 000	8 000	8 000
Municipal Demarcation Transition Grant	3 044	3 044	–	–	–
Water Services Infrastructure Grant	–	–	1 400	–	–
Regional Bulk Infrastructure Grant (RBIG)	–	–	8 723	–	–
Total operating expenditure of Transfers and Grants:					
<u>Capital expenditure of Transfers and Grants</u>	959 867	959 867	987 407	1 043 940	1 126 035
National Government:					
Municipal Infrastructure Grant (MIG)	650 955	689 708	271 728	278 646	314 253
Regional Bulk Infrastructure Grant (RBIG)	293 167	291 893	162 532	149 403	153 452
Public Transport Network Grant (PTNG)	122 112	147 112	263 855	460 998	644 491
Water services infrastructure grant	209 676	209 676	35 000	35 000	35 000
Neighbourhood Development Partnership Grant (NDPG)	26 000	41 027	68 600	110 000	116 050
Other capital transfers/grants [insert desc]					
Total capital expenditure of Transfers and Grants	650 955	689 708	801 715	1 034 047	1 263 246
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	1 619 866	1 665 118	1 807 245	2 085 987	2 397 281

Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description R thousand	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Operating transfers and grants:					
National Government:					
Balance unspent at beginning of the year	9 396	18 791			
Current year receipts	968 911	968 911	1 006 930	1 051 940	1 134 035
Conditions met - transferred to revenue	978 307	987 702	1 006 930	1 051 940	1 134 035
Conditions still to be met - transferred to liabilities					
Provincial Government:					
Balance unspent at beginning of the year					
Current year receipts					
Conditions met - transferred to revenue	-	-	-	-	-
Total operating transfers and grants revenue	978 307	987 702	1 006 930	1 051 940	1 134 035
Total operating transfers and grants - CTBM	-	-	-	-	-
Capital transfers and grants:					
National Government:					
Balance unspent at beginning of the year		20 830			
Current year receipts	650 955	665 982	800 315	1 204 047	1 263 246
Conditions met - transferred to revenue	650 955	686 812	800 315	1 204 047	1 263 246
Conditions still to be met - transferred to liabilities					
Provincial Government:					
Balance unspent at beginning of the year					
Current year receipts					
Conditions met - transferred to revenue	-	-	-	-	-
Conditions still to be met - transferred to liabilities					
Total capital transfers and grants revenue	650 955	686 812	800 315	1 204 047	1 263 246
Total capital transfers and grants - CTBM	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE	1 629 262	1 674 514	1 807 245	2 255 987	2 397 281

Supporting Table SA21 Transfers and grants made by the municipality

Description R thousand	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Cash Transfers to Entities/Other External Mechanisms					
<i>Polokwane Housing Agency</i>	5 000	5 000	11 000	11 000	11 000
Total Cash Transfers To Entities/Ems'	5 000	5 000	11 000	11 000	11 000
Cash Transfers to Organisations					
<i>SPCA</i>	720	720	-	-	-
Total Cash Transfers To Organisations	720	720	-	-	-
TOTAL CASH TRANSFERS AND GRANTS	5 720	5 720	-	-	-
TOTAL TRANSFERS AND GRANTS	5 720	5 720	11 000	11 000	11 000

Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	2018/19 Medium Term Revenue & Expenditure Framework				
	Current Year 2017/18		Budget Year		
	Original Budget	Adjusted Budget	2018/19	+1 2019/20	+2 2020/21
	D	E	G	H	I
<u>Councillors (Political Office Bearers plus Other)</u>					
Basic Salaries and Wages	22 666	22 666	24 071	25 635	27 302
Pension and UIF Contributions	3 258	3 258	3 460	3 684	3 924
Medical Aid Contributions	676	676	718	765	815
Motor Vehicle Allowance	8 918	8 918	9 471	10 086	10 742
Cellphone Allowance	2 238	2 238	2 376	2 531	2 695
Other benefits and allowances	397	397	422	449	479
Sub Total - Councillors	38 152	38 152	40 517	43 151	45 956
% increase	81,8%	-	6,2%	6,5%	6,5%
<u>Senior Managers of the Municipality</u>					
Basic Salaries and Wages	12 007	12 007	12 751	13 516	14 327
Pension and UIF Contributions	1 136	1 136	1 207	1 279	1 356
Medical Aid Contributions	203	203	216	229	243
Motor Vehicle Allowance	1 355	1 355	1 438	1 525	1 616
Other benefits and allowances	419	419	445	472	500
Sub Total - Senior Managers of Municipality	15 121	15 121	16 057	17 021	18 042
% increase	131,3%	-	6,2%	6,0%	6,0%
<u>Other Municipal Staff</u>					
Basic Salaries and Wages	473 117	422 862	518 102	506 951	528 669
Pension and UIF Contributions	100 925	100 925	106 782	114 270	122 281
Medical Aid Contributions	28 143	33 543	29 897	31 992	34 233
Overtime	39 679	43 588	39 679	42 060	44 583
Cellphone Allowance	336	336	359	384	411
Housing Allowances	6 880	6 880	7 362	7 877	8 429
Other benefits and allowances	91 525	99 392	99 185	106 132	113 567
Sub Total - Other Municipal Staff	740 604	707 525	801 366	809 666	852 173
% increase	44,2%	(4,5%)	13,3%	1,0%	5,2%
Total Parent Municipality	793 877	760 798	857 940	869 838	916 171
	46,7%	(4,2%)	12,8%	1,4%	5,3%
<u>Board Members of Entities</u>					
Basic Salaries and Wages	1 676	1 676	1 793	1 919	2 053
Pension and UIF Contributions	307	307	328	351	376
Sub Total - Board Members of Entities	1 983	1 983	2 122	2 270	2 429
% increase	-	-	7,0%	7,0%	7,0%
<u>Senior Managers of Entities</u>					
Basic Salaries and Wages	1 076	1 076	1 151	1 232	1 318
Sub Total - Senior Managers of Entities	1 076	1 076	1 151	1 232	1 318
% increase	-	-	7,0%	7,0%	7,0%
<u>Other Staff of Entities</u>					
Basic Salaries and Wages	6 242	6 242	6 679	7 146	7 646
Pension and UIF Contributions	319	319	342	366	391
Medical Aid Contributions	397	397	425	455	487
Overtime	42	42	45	49	52
Housing Allowances	114	114	122	131	140
Sub Total - Other Staff of Entities	7 115	7 115	7 613	8 146	8 716
% increase	-	-	7,0%	7,0%	7,0%
Total Municipal Entities	10 173	10 173	10 885	11 647	12 463
TOTAL SALARY, ALLOWANCES & BENEFITS	804 050	770 971	868 826	881 486	928 634
% increase	48,5%	(4,1%)	12,7%	1,5%	5,3%
TOTAL MANAGERS AND STAFF	763 916	730 837	826 187	836 064	880 249

Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum			1.				2.
<u>Councillors</u>							
Speaker		558 000	118 000	255 000			931 000
Chief Whip		536 000	96 000	243 000			875 000
Executive Mayor		734 000	110 000	337 000			1 181 000
Deputy Executive Mayor		–	–	–			–
Executive Committee		3 949 000	786 000	1 837 000			6 572 000
Total for all other councillors		17 983 000	3 983 000	8 993 000			30 959 000
Total Councillors	–	23 760 000	5 093 000	11 665 000			40 518 000
<u>Senior Managers of the Municipality</u>							
Municipal Manager (MM)		2 148 000	–	2 000			2 150 000
Chief Finance Officer		1 880 000	2 000	138 000			2 020 000
Director Engineering Services		1 280 000	267 000	356 000			1 903 000
Director Community Services		1 330 000	255 000	318 000			1 903 000
Director Corporate & Shared Services		1 901 000	2 000	–			1 903 000
Director Planning & Economic Development		1 394 000	254 000	254 000			1 902 000
<i>List of each official with packages >= senior manager</i>							
Director Community Development		1 901 000	2 000	–			1 903 000
Director Strategic Planning Monitoring & Evaluation		1 499 000	265 000	139 000			1 903 000
Director Transport Operations		1 901 000	2 000	–			1 903 000
Total Senior Managers of the Municipality	–	15 234 000	1 049 000	1 207 000	–		17 490 000
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	–	38 994 000	6 142 000	12 872 000	–		58 008 000

Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers Number	Current Year 2017/18			Budget Year 2018/19		
	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities						
Councillors (Political Office Bearers plus Other Councillors)	90		90	90		90
Board Members of municipal entities						
Municipal employees						
Municipal Manager and Senior Managers	10		10	9	–	9
Other Managers	104	100	4	124	110	2
Professionals	196	195	1	215	190	11
<i>Finance</i>	24	24	–	30	24	6
<i>Spatial/town planning</i>	30	30		30	23	–
<i>Information Technology</i>	8	8		11	9	–
<i>Roads</i>	8	8		9	8	–
<i>Electricity</i>	7	7		15	14	
<i>Water</i>	10	10		12	11	–
<i>Sanitation</i>	–	–		–	–	–
<i>Refuse</i>	4	4		3	2	–
<i>Other</i>	105	104	1	105	99	5
Technicians	645	645	–	945	731	–
<i>Finance</i>	90	90		119	102	–
<i>Spatial/town planning</i>	29	29		29	22	–
<i>Information Technology</i>	10	10		11	10	–
<i>Roads</i>	36	36		42	39	–
<i>Electricity</i>	50	50		56	50	–
<i>Water</i>	28	28		52	44	–
<i>Sanitation</i>	–	–		–	–	–
<i>Refuse</i>	31	31		41	32	–
<i>Other</i>	371	371		595	432	–
Clerks (Clerical and administrative)	20	20		108	88	–
Service and sales workers	28	28		34	28	–
Skilled agricultural and fishery workers	–	–		–	–	–
Craft and related trades						
Plant and Machine Operators						
Elementary Occupations	688	688	50	645	654	
TOTAL PERSONNEL NUMBERS	1 781	1 676	155	2 170	1 801	112
% increase	0,1%	–	4,0%	21,8%	7,5%	(27,7%)
Total municipal employees headcount	3 089	1 770	10			
Finance personnel headcount	190	144	21	210	154	
Human Resources personnel headcount	53	39	6	56	45	–

Supporting Table SA25 Consolidated budgeted monthly revenue and expenditure

Description	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand															
Revenue By Source															
Property rates	33 035	42 663	56 381	44 238	38 292	45 881	34 502	26 751	43 341	42 031	27 071	27 297	461 484	498 403	538 275
Service charges - electricity revenue	75 518	97 527	128 887	101 128	87 536	104 883	78 870	61 152	99 077	96 082	61 885	62 400	1 054 944	1 155 164	1 270 681
Service charges - water revenue	17 785	22 969	30 354	23 817	20 616	24 701	18 575	14 402	23 334	22 628	14 575	14 695	248 450	273 918	301 309
Service charges - sanitation revenue	7 339	9 478	12 526	9 828	8 507	10 193	7 665	5 943	9 629	9 338	6 014	6 065	102 528	109 192	116 836
Service charges - refuse revenue	8 085	10 442	13 799	10 827	9 372	11 229	8 444	6 547	10 608	10 287	6 626	6 681	112 947	120 289	128 709
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	2 670	3 448	4 557	3 575	3 095	3 708	2 788	2 162	3 503	3 397	2 188	2 205	37 297	39 382	41 584
Interest earned - external investments	3 385	4 371	5 777	4 532	3 923	4 701	3 535	2 741	4 440	4 306	2 774	2 797	47 281	49 882	52 625
Interest earned - outstanding debtors	5 727	7 396	9 774	7 669	6 638	7 954	5 981	4 637	7 513	7 286	4 693	4 732	80 000	84 400	89 042
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	1 145	1 479	1 955	1 534	1 328	1 591	1 196	927	1 503	1 457	939	946	16 000	16 959	17 979
Licences and permits	1 066	1 376	1 819	1 427	1 235	1 480	1 113	863	1 398	1 356	873	882	14 890	15 782	16 728
Agency services	1 790	2 311	3 054	2 397	2 074	2 486	1 869	1 449	2 348	2 277	1 467	1 479	25 000	26 500	28 090
Transfers and subsidies	72 081	93 088	123 020	96 525	83 552	100 109	75 281	58 369	94 568	91 709	59 068	58 160	1 005 530	1 051 940	1 134 035
Other revenue	23 835	30 781	40 679	31 918	27 628	33 103	24 893	19 301	31 270	30 325	19 532	126 089	439 352	442 169	420 119
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	253 460	327 329	432 582	339 415	293 797	352 018	264 713	205 246	332 532	322 479	207 704	314 428	3 645 703	3 883 980	4 156 012
Expenditure By Type															
Employee related costs	66 723	69 714	73 476	61 706	60 635	73 735	66 175	62 563	65 201	65 315	66 307	85 874	817 423	869 703	917 117
Remuneration of councillors	3 312	3 461	3 647	3 063	3 010	3 660	3 285	3 106	3 237	3 242	3 291	4 204	40 518	43 149	45 955
Debt impairment	6 131	6 406	6 751	5 670	5 572	6 775	6 081	5 749	5 991	6 002	6 093	7 780	75 000	78 900	82 000
Depreciation & asset impairment	16 349	17 082	18 004	15 120	14 857	18 067	16 215	15 330	15 976	16 004	16 247	20 748	200 000	215 000	230 000
Finance charges	8 788	9 182	9 677	8 127	7 986	9 711	8 716	8 240	8 587	8 602	8 733	11 152	107 500	111 445	105 000
Bulk purchases	74 838	78 192	82 412	69 211	68 009	82 703	74 223	70 172	73 131	73 259	74 372	94 973	915 497	970 426	1 028 653
Other materials	7 166	7 487	7 891	6 627	6 512	7 919	7 107	6 719	7 002	7 015	7 121	(20 900)	57 666	60 827	64 159
Contracted services	60 027	62 718	66 102	55 514	54 550	66 336	59 534	56 285	58 658	58 761	59 653	124 840	782 976	750 879	730 269
Transfers and subsidies	899	940	990	832	817	994	892	843	879	880	894	1 141	11 000	11 000	11 000
Other expenditure	24 355	25 446	26 820	22 524	22 132	26 914	24 155	22 836	23 799	23 841	24 203	32 320	299 345	316 255	333 271
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure	268 586	280 626	295 770	248 393	244 080	296 816	266 382	251 843	262 460	262 922	266 914	362 133	3 306 925	3 427 584	3 547 424
Surplus/(Deficit)	(15 126)	46 703	136 812	91 022	49 717	55 202	(1 669)	(46 597)	70 072	59 557	(59 210)	(47 704)	338 778	456 396	608 588
Transfers and subsidies - capital (monetary allocations)															
(National / Provincial and District)	57 290	73 987	97 778	76 719	66 408	79 567	59 834	46 392	75 163	72 891	46 948	48 739	801 715	1 034 047	1 263 246
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	42 164	120 690	234 589	167 741	116 124	134 769	58 164	(205)	145 235	132 448	(12 263)	1 034	1 140 493	1 490 443	1 871 834

Supporting Table SA26 Consolidated budgeted monthly revenue and expenditure (municipal vote)

Description R thousand	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue by Vote															
Vote 1 - COUNCIL												-	-	-	-
Vote 2 - Office of the Municipal Manger												-	-	-	-
Vote 3 - Strategic Planning Monitoring and Evaluation												-	-	-	-
Vote 4 - Engineering Services	108 003	139 480	184 330	144 630	125 191	150 000	112 798	87 459	141 697	137 414	88 506	103 644	1 523 153	1 651 620	1 813 480
Vote 5 - Community Services	13 181	17 022	22 495	17 651	15 278	18 306	13 766	10 673	17 293	16 770	10 801	10 889	184 125	195 736	208 682
Vote 6 - Community Development	826	1 066	1 409	1 106	957	1 147	862	669	1 083	1 050	677	683	11 533	12 191	12 889
Vote 7 - Corporate and Shared Services	382	493	652	511	443	530	399	309	501	486	313	315	5 334	5 654	5 994
Vote 8 - Planning and Economic Development	4 209	5 436	7 184	5 637	4 879	5 846	4 396	3 409	5 523	5 356	3 450	3 476	58 801	62 112	65 714
Vote 9 - Budget and Treasury	184 150	237 819	314 289	246 599	213 456	255 756	192 325	149 120	241 599	234 295	150 906	244 161	2 664 473	3 160 715	3 312 497
Vote 10 - Transport Operations												-	-	-	-
Total Revenue by Vote	310 750	401 316	530 359	416 134	360 204	431 585	324 546	251 638	407 695	395 370	254 652	363 168	4 447 419	5 088 028	5 419 256
Expenditure by Vote to be appropriated															
Vote 1 - COUNCIL	22 067	23 057	24 301	20 408	20 054	24 387	21 886	20 692	21 564	21 602	21 930	28 010	269 958	289 539	299 819
Vote 2 - Office of the Municipal Manger	4 682	4 892	5 156	4 330	4 255	5 175	4 644	4 391	4 576	4 584	4 653	363	51 701	53 386	56 355
Vote 3 - Strategic Planning Monitoring and Evaluation	4 516	4 719	4 973	4 177	4 104	4 991	4 479	4 235	4 413	4 421	4 488	23 330	72 846	40 175	57 237
Vote 4 - Engineering Services	122 090	127 563	134 446	112 911	110 950	134 922	121 088	114 479	119 305	119 515	121 330	101 850	1 440 447	1 510 803	1 572 008
Vote 5 - Community Services	29 492	30 814	32 477	27 275	26 801	32 592	29 250	27 654	28 820	28 870	29 309	87 952	411 306	429 627	454 167
Vote 6 - Community Development	17 989	18 795	19 809	16 636	16 347	19 879	17 841	16 867	17 578	17 609	17 877	23 483	220 713	233 036	241 393
Vote 7 - Corporate and Shared Services	18 382	19 206	20 243	17 000	16 705	20 314	18 231	17 236	17 963	17 995	18 268	29 693	231 238	241 921	254 902
Vote 8 - Planning and Economic Development	6 624	6 921	7 294	6 126	6 020	7 320	6 570	6 211	6 473	6 484	6 583	11 648	84 273	86 109	89 815
Vote 9 - Budget and Treasury	38 400	40 122	42 287	35 513	34 897	42 436	38 085	36 007	37 524	37 591	38 161	47 987	469 010	497 042	469 038
Vote 10 - Transport Operations	4 343	4 538	4 783	4 016	3 947	4 799	4 307	4 072	4 244	4 251	4 316	7 817	55 434	45 947	52 688
Total Expenditure by Vote	268 586	280 626	295 770	248 393	244 080	296 816	266 382	251 843	262 460	262 922	266 914	362 134	3 306 926	3 427 585	3 547 422
Surplus/(Deficit) before assoc.	42 164	120 690	234 589	167 741	116 124	134 769	58 164	(205)	145 235	132 448	(12 263)	1 034	1 140 493	1 660 443	1 871 834
Taxation												-	-	-	-
Attributable to minorities												-	-	-	-
Share of surplus/ (deficit) of associate												-	-	-	-
Surplus/(Deficit)	42 164	120 690	234 589	167 741	116 124	134 769	58 164	(205)	145 235	132 448	(12 263)	1 034	1 140 493	1 660 443	1 871 834

Table SA27 Consolidated budgeted monthly revenue and expenditure (functional classification)

Description R thousand	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue - Functional															
Governance and administration	184 984	238 896	315 713	247 717	214 423	256 915	193 197	149 796	242 694	235 357	151 590	244 850	2 676 130	3 173 040	3 325 529
Executive and council												—	—	—	—
Finance and administration	184 984	238 896	315 713	247 717	214 423	256 915	193 197	149 796	242 694	235 357	151 590	244 850	2 676 130	3 173 040	3 325 529
Community and public safety	706	912	1 205	945	818	980	737	572	926	898	578	281	9 558	10 126	10 733
Community and social services	197	254	336	264	228	273	206	159	258	250	161	(141)	2 446	2 591	2 750
Sport and recreation	487	629	832	653	565	677	509	395	639	620	399	404	6 809	7 215	7 642
Public safety	22	28	37	29	25	30	23	18	28	28	18	18	303	320	341
Economic and environmental services	8 835	11 409	15 078	11 831	10 241	12 270	9 227	7 154	11 591	11 240	7 240	21 999	138 114	130 921	138 652
Planning and development	4 209	5 436	7 184	5 637	4 879	5 846	4 396	3 409	5 523	5 356	3 450	3 476	58 801	62 112	65 714
Road transport	4 466	5 768	7 622	5 981	5 177	6 203	4 664	3 617	5 859	5 682	3 660	18 088	76 788	66 133	70 101
Environmental protection	159	205	271	213	184	221	166	129	209	202	130	434	2 525	2 676	2 837
Trading services	116 226	150 099	198 363	155 641	134 722	161 420	121 386	94 117	152 485	147 875	95 244	96 039	1 623 617	1 773 941	1 944 342
Energy sources	75 531	97 545	128 910	101 146	87 552	104 902	78 885	61 164	99 095	96 099	61 896	62 412	1 055 136	1 155 367	1 270 895
Water management	25 114	32 434	42 863	33 631	29 111	34 880	26 229	20 337	32 949	31 953	20 581	20 752	350 836	386 792	425 465
Waste water management	7 339	9 478	12 526	9 828	8 507	10 193	7 665	5 943	9 629	9 338	6 014	6 066	102 529	109 193	116 836
Waste management	8 241	10 642	14 064	11 035	9 552	11 445	8 606	6 673	10 811	10 484	6 753	6 809	115 116	122 589	131 146
Other												—	—	—	—
Total Revenue - Functional	310 750	401 316	530 359	416 134	360 204	431 585	324 546	251 638	407 695	395 370	254 652	363 168	4 447 419	5 088 028	5 419 256
Expenditure - Functional															
Governance and administration	97 376	101 741	107 231	90 055	88 491	107 610	96 576	91 305	95 154	95 322	96 769	128 624	1 196 254	1 246 197	1 253 732
Executive and council	24 422	25 517	26 894	22 586	22 194	26 989	24 221	22 899	23 865	23 907	24 270	25 419	293 181	312 802	324 382
Finance and administration	71 948	75 173	79 229	66 538	65 383	79 510	71 357	67 463	70 307	70 430	71 500	101 928	890 765	920 381	915 583
Internal audit	1 006	1 051	1 108	930	914	1 112	998	943	983	985	1 000	1 277	12 308	13 014	13 767
Community and public safety	23 671	24 732	26 067	21 892	21 511	26 159	23 477	22 196	23 131	23 172	23 524	27 713	287 245	302 035	314 392
Community and social services	5 615	5 867	6 184	5 193	5 103	6 205	5 569	5 265	5 487	5 497	5 580	7 146	68 712	72 202	76 426
Sport and recreation	13 936	14 560	15 346	12 888	12 664	15 400	13 821	13 067	13 618	13 642	13 849	15 338	168 128	176 442	181 554
Public safety	3 010	3 145	3 315	2 784	2 736	3 327	2 986	2 823	2 942	2 947	2 992	3 820	36 827	39 011	41 177
Housing	709	740	780	655	644	783	703	664	692	694	704	900	8 669	9 183	9 729
Health	401	419	442	371	365	444	398	376	392	393	399	508	4 909	5 197	5 506
Economic and environmental services	30 883	32 268	34 009	28 561	28 065	34 129	30 630	28 958	30 179	30 232	30 691	27 987	366 594	357 591	394 684
Planning and development	9 670	10 104	10 649	8 943	8 788	10 686	9 591	9 067	9 449	9 466	9 610	14 114	120 137	107 235	126 865
Road transport	21 155	22 103	23 296	19 564	19 224	23 378	20 981	19 836	20 672	20 709	21 023	13 798	245 738	249 595	267 013
Environmental protection	59	61	65	54	53	65	58	55	57	57	58	76	719	761	806
Trading services	116 656	121 885	128 463	107 886	106 012	128 917	115 699	109 384	113 995	114 196	115 930	177 810	1 456 833	1 521 762	1 584 614
Energy sources	73 960	77 275	81 445	68 399	67 211	81 733	73 353	69 349	72 273	72 400	73 499	99 106	910 002	951 631	1 002 108
Water management	27 027	28 238	29 762	24 995	24 561	29 867	26 805	25 342	26 410	26 457	26 858	25 802	322 123	336 943	354 604
Waste water management	9 666	10 100	10 645	8 940	8 784	10 682	9 587	9 064	9 446	9 463	9 606	(6 522)	99 462	102 977	90 403
Waste management	6 003	6 273	6 611	5 552	5 456	6 634	5 954	5 629	5 867	5 877	5 966	59 424	125 246	130 211	137 499
Total Expenditure - Functional	268 586	280 626	295 770	248 393	244 080	296 816	266 382	251 843	262 460	262 922	266 914	362 134	3 306 926	3 427 585	3 547 422
Surplus/(Deficit)	42 164	120 690	234 589	167 741	116 124	134 769	58 164	(205)	145 235	132 448	(12 263)	1 034	1 140 493	1 660 443	1 871 834

Supporting Table SA28 Consolidated budgeted monthly capital expenditure (municipal vote)

Description R thousand	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Vote 1 - COUNCIL												-	-	-	-
Vote 2 - Office of the Municipal Manger												-	-	-	-
Vote 3 - Strategic Planning Monitoring and Evaluation	40	66	130	182	183	212	212	212	336	388	517	622	3 100	19 300	27 500
Vote 4 - Engineering Services	13 505	22 225	43 710	61 455	61 583	71 499	71 542	71 542	113 492	130 752	174 243	210 050	1 045 598	1 212 844	1 519 593
Vote 5 - Community Services	503	828	1 629	2 291	2 296	2 665	2 667	2 667	4 231	4 874	6 495	7 831	38 977	30 000	37 491
Vote 6 - Community Development	650	1 070	2 104	2 959	2 965	3 442	3 444	3 444	5 464	6 295	8 389	10 114	50 340	52 000	60 800
Vote 7 - Corporate and Shared Services	126	207	408	573	574	667	667	667	1 058	1 219	1 625	1 959	9 750	11 300	17 000
Vote 8 - Planning and Economic Development	90	149	293	411	412	479	479	479	760	875	1 167	1 406	7 000	13 500	55 650
Vote 9 - Budget and Treasury	110	181	355	500	501	581	582	582	923	1 063	1 416	1 706	8 500	2 001	-
Vote 10 - Transport Operations	3 455	5 687	11 184	15 724	15 757	18 294	18 305	18 305	29 039	33 455	44 583	53 744	267 532	97 991	102 040
Capital single-year expenditure sub-total	18 479	30 413	59 813	84 095	84 271	97 839	97 898	97 898	155 303	178 921	238 435	287 432	1 430 797	1 438 936	1 820 074
Total Capital Expenditure	18 479	30 413	59 813	84 095	84 271	97 839	97 898	97 898	155 303	178 921	238 435	287 432	1 430 797	1 438 936	1 820 074

Supporting Table SA29 Consolidated budgeted monthly capital expenditure (functional classification)

Description R thousand	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital Expenditure - Functional															
<i>Governance and administration</i>	236	388	763	1 073	1 075	1 248	1 249	1 249	1 981	2 282	3 041	3 665	18 250	8 301	7 000
Executive and council													–	–	–
Finance and administration	236	388	763	1 073	1 075	1 248	1 249	1 249	1 981	2 282	3 041	3 665	18 250	8 301	7 000
Internal audit													–	–	–
<i>Community and public safety</i>	1 015	1 671	3 286	4 621	4 631	5 376	5 379	5 379	8 534	9 831	13 101	15 793	78 617	97 500	123 111
Community and social services	597	983	1 932	2 717	2 723	3 161	3 163	3 163	5 018	5 781	7 703	9 286	46 227	65 500	113 911
Sport and recreation	418	688	1 354	1 904	1 908	2 215	2 216	2 216	3 516	4 050	5 398	6 507	32 390	32 000	9 200
<i>Economic and environmental services</i>	7 239	11 914	23 431	32 943	33 011	38 327	38 350	38 350	60 836	70 089	93 402	112 595	560 487	423 691	524 490
Planning and development	77	128	251	353	353	410	411	411	651	750	1 000	1 205	6 000	18 500	65 650
Road transport	7 162	11 786	23 180	32 590	32 658	37 917	37 939	37 939	60 185	69 339	92 402	111 390	554 487	405 191	458 840
<i>Trading services</i>	9 989	16 440	32 333	45 460	45 554	52 889	52 921	52 921	83 951	96 719	128 890	155 376	773 443	909 444	1 165 473
Energy sources	892	1 468	2 887	4 060	4 068	4 723	4 726	4 726	7 497	8 637	11 510	13 876	69 070	172 000	210 500
Water management	3 839	6 318	12 426	17 471	17 507	20 327	20 339	20 339	32 265	37 171	49 536	59 715	297 253	491 444	786 132
Waste water management	5 067	8 339	16 401	23 059	23 107	26 827	26 843	26 843	42 583	49 060	65 378	78 813	392 320	240 000	163 840
Waste management	191	315	619	870	872	1 012	1 013	1 013	1 606	1 851	2 466	2 972	14 800	6 000	5 001
<i>Other</i>													–	–	–
Total Capital Expenditure - Functional	18 479	30 413	59 813	84 097	84 271	97 840	97 899	97 899	155 302	178 921	238 434	287 429	1 430 797	1 438 936	1 820 074
Funded by:															
National Government	10 355	17 041	33 515	47 121	47 219	54 822	54 855	54 855	87 020	100 254	133 601	161 057	801 715	982 635	1 211 834
Provincial Government													–	–	–
Transfers recognised - capital	10 355	17 041	33 515	47 121	47 219	54 822	54 855	54 855	87 020	100 254	133 601	161 057	801 715	982 635	1 211 834
Public contributions & donations	186	306	602	846	848	985	985	985	1 563	1 801	2 400	2 893	14 400	–	–
Borrowing	3 552	5 845	11 496	16 163	16 197	18 805	18 816	18 816	29 849	34 389	45 827	55 245	275 000	–	–
Internally generated funds	4 386	7 221	14 200	19 967	20 007	23 228	23 243	23 243	36 870	42 477	56 606	68 234	339 682	456 301	608 240
Total Capital Funding	18 479	30 413	59 813	84 097	84 271	97 840	97 899	97 899	155 302	178 921	238 434	287 429	1 430 797	1 438 936	1 820 074

Supporting Table SA30 Consolidated budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Cash Receipts By Source														1		
Property rates		34 040	34 375	34 710	34 878	34 794	35 004	34 920	35 004	35 129	35 297	35 423	22 532	406 106	438 595	473 682
Service charges - electricity revenue		81 459	82 262	83 064	83 466	83 265	83 767	83 566	83 767	84 068	84 469	84 770	31 527	949 450	1 039 648	1 143 613
Service charges - water revenue		18 157	18 336	18 514	18 604	18 559	18 671	18 626	18 671	18 738	18 828	18 895	19 006	223 605	246 526	271 178
Service charges - sanitation revenue		7 326	7 398	7 471	7 507	7 489	7 534	7 516	7 534	7 561	7 597	7 624	7 668	90 225	96 089	102 816
Service charges - refuse revenue		8 071	8 150	8 230	8 270	8 250	8 299	8 279	8 299	8 329	8 369	8 399	8 448	99 393	105 854	113 264
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		2 817	2 844	2 872	2 886	2 879	2 896	2 889	2 896	2 907	2 921	2 931	2 948	34 686	36 625	38 673
Interest earned - external investments		3 570	3 606	3 641	3 658	3 650	3 672	3 663	3 672	3 685	3 702	3 716	3 736	43 971	46 390	48 941
Interest earned - outstanding debtors		6 041	6 101	6 160	6 190	6 175	6 212	6 198	6 212	6 235	6 264	6 287	6 325	74 400	78 492	82 809
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1 208	1 220	1 232	1 238	1 235	1 242	1 240	1 242	1 247	1 253	1 257	1 266	14 880	15 772	16 720
Licences and permits		1 124	1 136	1 147	1 152	1 149	1 156	1 154	1 156	1 160	1 166	1 170	1 178	13 848	14 677	15 557
Agency services		2 030	2 050	2 070	2 080	2 075	2 088	2 083	2 088	2 095	2 105	2 113	2 123	25 000	26 500	28 090
Transfer receipts - operational		331 082	-	-	-	-	331 082	-	-	331 082	-	-	12 284	1 005 530	1 051 940	1 134 035
Other revenue		22 258	22 477	22 696	22 806	22 751	22 888	22 834	22 888	22 971	23 080	23 162	157 786	408 597	411 217	390 711
Cash Receipts by Source		519 183	189 955	191 807	192 735	192 271	524 511	192 968	193 429	525 207	195 051	195 747	276 827	3 389 691	3 608 326	3 860 089
Other Cash Flows by Source																
Transfer receipts - capital													801 715	801 715	1 034 047	1 263 246
Borrowing long term/refinancing				105 000			170 000						200 000	475 000		198 000
Total Cash Receipts by Source		519 183	189 955	296 807	192 735	192 271	694 511	192 968	193 429	525 207	195 051	195 747	1 278 542	4 666 406	4 642 373	5 321 335

Supporting Table SA30 Consolidated budgeted monthly cash flow.....continued

MONTHLY CASH FLOWS	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Cash Payments by Type															
Employee related costs	66 103	67 026	67 718	65 988	66 680	67 949	72 807	69 448	69 020	69 564	70 602	62 066	814 971	867 094	914 366
Remuneration of councillors	3 186	3 197	3 208	3 216	3 208	3 208	3 271	3 199	3 208	3 197	3 202	3 192	38 492	40 992	43 657
Finance charges	–	–	–	–	–	58 534	–	–	–	–	–	47 891	106 425	110 331	103 950
Bulk purchases - Electricity	66 537	61 641	60 532	61 641	60 532	55 447	49 903	46 116	49 903	54 338	60 532	69 296	696 418	738 204	782 497
Bulk purchases - Water & Sewer	17 446	21 323	17 446	21 323	17 446	17 446	17 446	21 323	17 446	17 446	21 323	(6 645)	200 769	212 814	225 583
Other materials	2 251	2 813	4 220	4 220	4 220	4 220	5 787	5 787	5 787	5 787	6 190	3 501	54 783	57 786	60 951
Contracted services	24 715	24 715	29 658	29 658	29 658	29 658	48 808	48 810	48 808	48 808	42 016	369 834	775 146	743 370	722 966
Transfers and grants - other municipalities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and grants - other	3 436	77	3 436	77	77	3 436	77	77	77	77	77	76	11 000	11 000	11 000
Other expenditure	21 164	21 549	22 395	22 318	22 549	22 626	22 703	22 796	22 719	22 665	22 855	50 013	296 352	313 092	329 938
Cash Payments by Type	204 838	202 341	208 613	208 441	204 370	262 524	220 802	217 556	216 968	221 882	226 797	599 223	2 994 355	3 094 682	3 194 908
Other Cash Flows/Payments by Type															
Capital assets	74 044	74 773	75 503	75 868	75 685	76 141	75 959	76 141	76 415	76 780	77 053	524 895	1 359 257	1 366 989	1 729 070
Repayment of borrowing						37 989						37 989	75 977	83 313	77 614
Other Cash Flows/Payments												200 000	200 000		198 000
Total Cash Payments by Type	278 882	277 114	284 116	284 309	280 055	376 654	296 761	293 697	293 383	298 662	303 850	1 362 107	4 629 590	4 544 984	5 199 593
NET INCREASE/(DECREASE) IN CASH HELD	240 301	(87 159)	12 691	(91 574)	(87 784)	317 858	(103 793)	(100 268)	231 824	(103 611)	(108 103)	(83 565)	36 817	97 389	121 742
Cash/cash equivalents at the month/year begin:	10 000	250 301	163 142	175 833	84 259	(3 525)	314 333	210 540	110 272	342 096	238 485	130 382	10 000	46 817	144 205
Cash/cash equivalents at the month/year end:	250 301	163 142	175 833	84 259	(3 525)	314 333	210 540	110 272	342 096	238 485	130 382	46 817	46 817	144 205	265 948

Supporting Table SA34a Consolidated capital expenditure on new assets by asset class

Description R thousand	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital expenditure on new assets by Asset Class/Sub-class					
Infrastructure	759 324	260 931	876 266	965 446	1 005 673
Roads Infrastructure	269 950	84 847	161 915	180 200	143 800
Roads	47 838	47 838	161 915	180 200	143 800
Road Structures	222 112	16 369			
Capital Spares		20 640			
Storm water Infrastructure	–	10 531	5 000	–	–
Drainage Collection		10 531			
Storm water Conveyance			5 000	–	–
Attenuation					
Electrical Infrastructure	71 900	41 400	63 903	156 000	186 500
HV Transmission Conductors			37 270	101 500	103 000
MV Substations			24 133	52 000	82 000
Capital Spares	71 900	41 400	2 500	2 500	1 500
Water Supply Infrastructure	270 338	158 838	263 363	367 446	483 532
Reservoirs			–	1 000	2 000
Distribution	270 338	158 838	263 363	366 446	481 532
Sanitation Infrastructure	132 035	(42 035)	364 485	253 000	183 840
Pump Station					
Reticulation	132 035	(42 035)	13 965	13 000	20 000
Waste Water Treatment Works			350 520	240 000	160 840
Capital Spares			–	–	3 000
Solid Waste Infrastructure	15 101	7 350	17 600	8 800	8 001
Landfill Sites	10 001	2 250	4 000	–	2 000
Waste Transfer Stations	5 100	5 100	12 800	6 000	3 001
Capital Spares			800	2 800	3 000
Community Assets	53 135	24 273	48 267	53 350	82 940
Community Facilities	12 886	7 255	25 227	38 350	73 740
Halls		–	–	–	3 000
Centres	500	500	4 600	19 000	29 500
Fire/Ambulance Stations	3 536	3 536	3 750	5 600	6 700
Testing Stations		–	470	150	11 240
Museums	–	–	800	800	900
Libraries	1 300	1 300	2 300	2 500	7 000
Cemeteries/Crematoria		–	–	–	2 000
Police		–	2 580	750	800
Parks		–	4 900	6 400	8 800
Public Open Space	4 450	4 283			
Capital Spares	3 100	(2 364)	5 827	3 150	3 800
Sport and Recreation Facilities	40 249	17 018	23 040	15 000	9 200
Indoor Facilities		–			
Outdoor Facilities	40 249	17 018	22 540	14 000	8 000
Capital Spares		–	500	1 000	1 200
Investment properties	10 000	11 500	6 000	18 500	51 500
Revenue Generating	10 000	–	–	–	–
Unimproved Property	10 000	–	–	–	–
Non-revenue Generating	–	11 500	6 000	18 500	51 500
Unimproved Property		11 500	6 000	18 500	51 500
Other assets	5 500	91 202	400	–	1 900
Operational Buildings	5 500	89 202	400	–	1 900
Municipal Offices	5 500	32 550	–	–	1 900
Yards		–	400	–	–
Capital Spares		56 652			
Housing	–	2 000	–	–	–
Capital Spares	–	2 000			
Biological or Cultivated Assets	–	600	–	–	–
Biological or Cultivated Assets		600			
Intangible Assets	750	–	–	–	–
Licences and Rights	750	–	–	–	–
Computer Software and Applications	750	–			
Computer Equipment	2 000	44 252	2 750	2 800	3 000
Computer Equipment	2 000	44 252	2 750	2 800	3 000
Furniture and Office Equipment	500	2 270	–	–	–
Furniture and Office Equipment	500	2 270			
Machinery and Equipment	–	8 667	–	–	–
Machinery and Equipment		8 667			
Transport Assets	35 000	167 000	267 532	97 991	102 040
Transport Assets	35 000	167 000	267 532	97 991	102 040
Total Capital Expenditure on new assets	866 209	610 695	1 201 215	1 138 087	1 247 053

Supporting Table SA34b Consolidated capital expenditure on the renewal of existing assets by asset class

Description	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand						
Capital expenditure on renewal of existing assets by Asset Class/Sub-class						
Infrastructure	254 080	194 488	194 488	223 132	106 991	113 040
Roads Infrastructure	106 380	105 744	105 744	162 532	105 991	102 040
Roads	106 380	90 851	90 851	–	8 000	–
Road Structures				162 532	97 991	102 040
Road Furniture		14 893	14 893			
Electrical Infrastructure	12 250	6 100	6 100	4 300	1 000	11 000
HV Transmission Conductors				4 300	1 000	11 000
Capital Spares	12 250	6 100	6 100			
Water Supply Infrastructure	134 000	67 644	67 644	10 000	–	–
Distribution	134 000	67 644	67 644	10 000	–	–
Sanitation Infrastructure	–	–	–	46 300	–	–
Waste Water Treatment Works				46 300	–	–
Solid Waste Infrastructure	1 450	0	–	–	–	–
Landfill Sites	850	–				
Waste Transfer Stations	600	0				
Information and Communication Infrastructure	–	15 000	15 000	–	–	–
Capital Spares		15 000	15 000			
Community Assets	5 095	–	–	5 425	15 750	12 900
Community Facilities	5 095	–	–	3 850	15 750	12 900
Halls	900	–				
Centres		–		1 000	14 550	6 900
Fire/Ambulance Stations	1 745	–		–	–	3 000
Museums	800	–				
Libraries	1 400	–		2 850	1 200	3 000
Capital Spares	250	–				
Sport and Recreation Facilities	–	–	–	1 575	–	–
Outdoor Facilities				1 575	–	–
Other assets	27 248	–	–	9 000	6 500	10 500
Operational Buildings	27 248	–	–	9 000	6 500	10 500
Municipal Offices	21 100	–		9 000	6 500	10 500
Stores	6 148	–				
Intangible Assets	3 000	–	–	–	–	–
Servitudes		–	–	–	–	–
Licences and Rights	3 000	–	–	–	–	–
Computer Software and Applications	3 000	–				
Local Settlement Software Applications		–				
Libraries	1 400	–	–	–	–	–
Libraries	1 400	–				
Total Capital Expenditure on renewal of existing assets	290 823	194 488	194 488	237 557	129 241	136 440

Supporting Table SA34d Consolidated Depreciation by asset class

Description R thousand	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<u>Depreciation by Asset Class/Sub-class</u>					
<u>Infrastructure</u>	116 618	116 618	116 617	126 042	116 617
Roads Infrastructure	53 579	53 579	53 579	57 909	53 579
Roads	45 516	45 516	45 516	49 194	45 516
Road Structures	7 470	7 470	7 470	8 074	7 470
Road Furniture	593	593	593	641	593
Capital Spares					
Storm water Infrastructure	7 893	7 893	7 893	8 531	7 893
Drainage Collection					
Storm water Conveyance	7 893	7 893	7 893	8 531	7 893
Attenuation					
Electrical Infrastructure	22 479	22 479	22 479	24 296	22 479
Power Plants			–	–	–
HV Substations	4 887	4 887	4 887	5 282	4 887
MV Networks	12 013	12 013	12 013	12 984	12 013
LV Networks	5 579	5 579	5 579	6 030	5 579
Capital Spares			–	–	–
Water Supply Infrastructure	22 921	22 921	22 921	24 774	22 921
Dams and Weirs	627	627	627	678	627
Boreholes	1 728	1 728	1 728	1 868	1 728
Reservoirs	4 561	4 561	4 561	4 930	4 561
Pump Stations	654	654	654	707	654
Water Treatment Works	780	780	780	843	780
Bulk Mains	3 215	3 215	3 215	3 475	3 215
Distribution	10 935	10 935	10 935	11 818	10 935
Distribution Points	413	413	413	447	413
PRV Stations	8	8	8	8	8
Capital Spares			–	–	–
Sanitation Infrastructure	6 951	6 951	6 951	7 512	6 951
Pump Station	304	304	304	328	304
Reticulation	2 250	2 250	2 250	2 432	2 250
Waste Water Treatment Works	3 245	3 245	3 245	3 507	3 245
Outfall Sewers	1 152	1 152	1 152	1 245	1 152
Toilet Facilities			–	–	–
Capital Spares			–	–	–
Solid Waste Infrastructure	2 138	2 138	2 138	2 311	2 138
Landfill Sites	2 091	2 091	2 091	2 260	2 091
Waste Transfer Stations	47	47	47	51	47
Coastal Infrastructure	656	656	–	–	–
Sand Pumps	197	197			
Piers	427	427			
Revetments	10	10			
Promenades	22	22			
Information and Communication Infrastructure	–	–	656	709	656
Data Centres			197	213	197
Core Layers			427	461	427
Distribution Layers			10	11	10
Capital Spares			22	24	22

Supporting Table SA34d Consolidated Depreciation by asset class – Continued

Description R thousand	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<u>Community Assets</u>	24 770	24 770	46 675	49 284	49 730
Community Facilities	–	–	21 905	22 512	24 960
Halls			737	797	737
Centres			25	27	25
Clinics/Care Centres			56	61	56
Fire/Ambulance Stations			693	749	693
Testing Stations			121	130	121
Museums			1 750	1 891	1 750
Cemeteries/Crematoria			245	265	245
Public Open Space			1 249	1 350	1 249
Markets			246	266	246
Airports			821	888	821
Taxi Ranks/Bus Terminals			962	1 039	962
Capital Spares			15 000	15 049	18 055
Sport and Recreation Facilities	24 770	24 770	24 770	26 772	24 770
Indoor Facilities	1 569	1 569	1 569	1 696	1 569
Outdoor Facilities	23 201	23 201	23 201	25 076	23 201
<u>Other assets</u>	13 314	13 314	6 410	6 928	28 934
Operational Buildings	13 105	13 105	6 201	6 701	28 725
Municipal Offices	4 528	4 528	4 528	4 894	4 528
Pay/Enquiry Points	331	331	331	357	331
Workshops	374	374	374	404	374
Yards	968	968	968	1 046	968
Capital Spares	6 904	6 904	–	–	22 524
Housing	209	209	209	227	209
Staff Housing	132	132	132	143	132
Social Housing	77	77	77	84	77
<u>Computer Equipment</u>	1 896	1 896	1 896	2 049	2 172
Computer Equipment	1 896	1 896	1 896	2 049	2 172
<u>Furniture and Office Equipment</u>	5 729	5 729	5 729	6 192	6 565
Furniture and Office Equipment	5 729	5 729	5 729	6 192	6 565
<u>Machinery and Equipment</u>	2 884	2 884	2 884	3 117	3 305
Machinery and Equipment	2 884	2 884	2 884	3 117	3 305
<u>Transport Assets</u>	19 789	19 789	19 789	21 388	22 677
Transport Assets	19 789	19 789	19 789	21 388	22 677
Total Depreciation	185 000	185 000	200 000	215 000	230 000

Supporting Table SA34e Consolidated capital expenditure on the upgrading of existing assets by asset class

Description R thousand	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class					
Infrastructure	44 886	376 553	131 940	240 998	507 600
Roads Infrastructure	32 386	26 682	105 494	113 000	213 000
Roads	32 386	26 682	105 494	113 000	213 000
Storm water Infrastructure	–	1 950	14 546	6 000	–
Drainage Collection					
Storm water Conveyance		1 950	14 546	6 000	–
Attenuation					
Electrical Infrastructure	–	10 250	975	10 000	10 000
HV Transmission Conductors			975	10 000	10 000
Capital Spares		10 250			
Water Supply Infrastructure	12 500	189 536	10 925	111 998	284 600
Distribution			10 925	111 998	284 600
Distribution Points	12 500	189 536			
Sanitation Infrastructure	–	147 035	–	–	–
Solid Waste Infrastructure	–	1 100	–	–	–
Capital Spares		1 100			
Community Assets	16 450	30 095	12 625	23 900	9 700
Community Facilities	6 450	11 095	4 850	6 900	9 700
Halls	1 500	6 145			
Centres			750	2 500	5 100
Testing Stations			2 100	600	600
Parks			500	800	1 000
Public Open Space	4 950	4 950			
Nature Reserves			1 500	3 000	3 000
Sport and Recreation Facilities	10 000	19 000	7 775	17 000	–
Indoor Facilities					
Outdoor Facilities	10 000	19 000	7 775	17 000	–
Heritage assets	–	800	–	–	–
Other Heritage		800			
Investment properties	–	–	–	–	12 000
Revenue Generating	–	–	–	–	12 000
Improved Property					
Unimproved Property			–	–	12 000
Other assets	5 000	11 148	8 500	2 001	–
Operational Buildings	5 000	11 148	8 500	2 001	–
Municipal Offices	5 000	11 148			
Stores			8 500	2 001	–
Intangible Assets	3 000	–	7 000	3 500	4 000
Servitudes					
Licences and Rights	3 000	–	7 000	3 500	4 000
Computer Software and Applications	3 000	–	7 000	3 500	4 000
Computer Equipment	3 000	6 000	–	–	–
Computer Equipment	3 000	6 000			
Furniture and Office Equipment	–	800	–	–	–
Furniture and Office Equipment		800			
Libraries	750	800	–	–	–
Libraries	750	800			
Total Capital Expenditure on upgrading of existing assets	73 086	426 196	160 065	270 399	533 300

Annexure A: Polokwane Housing Association



Annual Budget and service delivery agreement - Polokwane Housing Association (PHA) For the Period 2018/2019 to 2020/2021

Despite global and national economic challenges, the PHA's financial history indicates that the entity has managed to survive year on year. As the municipal entity the PHA is mandated to develop and manage Intergrated Human Settlements, Social and Non Social Housing Rental Housing Units within the jurisdiction of Polokwane Municipality.

As a Municipal Entity entrusted with managing rental housing units, PHA is required to comply with Municipal Finance Management Act, Act 56 of 2003, the Municipal System Act, Act 32 of 2000, the Companies Act, Act 71 of 2008, the Housing Code, the Social Housing Act of 2008, and all other relevant legislation applicable to the municipal entity

The PHA's mandate includes, amongst others, the responsibility for administrative processes, accounting and financial management, tenant liaison, policy and guideline formation, capital raising, agency role and other functions that Polokwane Municipality may require in applying the principles of rental housing in Polokwane. The mandate has been extended to include participating in the non-social housing rental space, i.e. gap market and profit making rental housing. Above all PHA must ensure its financial sustainability.

The financial plan for 2018/19 reflects that, with the projected allocation of all rental units of 697 units, the entity will be generating R12million for the year. The 2018/19 budget process was prepared following a similar approach used in previous years. The budget takes into account the current market conditions, such as inflation, historical trend analysis, as well as the proposed Polokwane Municipality budget guidelines. The combined budgeted operating deficit is projected at R1.8million for the year, this deficit is mainly due to non-cash items: Asset impairment of R4million and Debt impairment of R2million, for two outer years the entity is projecting the surplus of R2.5 million and R1.2 million respectively.

The 2018/19 budget includes a R11million operational grant which would assist the entity in making certain that the entity's cash flow remains positive and that the entity is able to fund its

operations. For 2019/20 and 2020/21 the operational grant is R11million. For two outer years the operational budget is split between R4million to fund operations R7million will go towards equity in assisting the development of Polokwane extension 76 which will be 208 units

Due to the nature of our business and Funding of new projects being hard to secure, PHA is embarking on Public Private Partnerships. For the period between 2018 and 2021 financial year the entity is projecting to develop 754 Gap market units and 5116 student accommodation beds. These projects are to be developed using the Built Operate and Transfer model (BOT). Under this model the entity is putting forth as its own equity contribution land as investment. After 30 years the private sector partners will transfer the facility to the entity. In the meantime, the private sector partners will be paying the entity royalties monthly. These new developments will lessen PHA's dependency on the municipality. The PHA's existence is informed by the SMART pillar which forms one of the Municipality's SMART Pillars. i.e SMART Economy. Etc. in attainment of vision 2030 smart city.

For 2018/19 employment costs are budgeted at 10% for budget purposes subject to agreement at South African Local Government Bargaining Council

Service Delivery Agreement between the City and the PHA

Service Delivery Agreement

Period of Agreement	No period stipulated but subject to annual reviews in terms of Section 93A of the systems Act
Service Provided	Rentals of Units
Expiry date of SDA	N/A
Monetary value	1 000. Of R1 shares worth R1000
Ownership and control	Shareholding as at 30 April 2017 Polokwane Municipality 100%
Mandate	Develop and Manage Integrated Human Settlements
Funding over medium term	R11 Million 2018/19 R11 Million 2019/20 R11 Million 2020/21
Summary of SDA	Sets out the obligation of PHA to Polokwane Municipality in respect of compliance and performance Issues

Past performance and future objectives	<p>Has fairly met targets in the past, except with Ga-Rena Project which is cumbersome, PHA is confident that it will maintain high level of rental occupation and rental collection.</p> <p>PHA hopes to meet future housing demands</p>
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Table D1 Budget Summary

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<u>Financial Performance</u>					
Property rates					
Service charges					
Investment revenue					
Transfers recognised - operational	5 000 000	9 000 000	11 000 000	11 000 000	11 000 000
Other own revenue	12 541 000	11 867 000	12 541 000	12 973 000	15 850 000
Contributions recognised - capital & contributed assets					
Total Revenue (excluding capital transfers and contrib	17 541 000	20 867 000	23 541 000	23 973 000	26 850 000
Employee costs	6 313 000	6 988 000	7 739 000	8 072 000	8 553 000
Remuneration of Board Members	2 150 000	2 431 000	2 150 000	2 258 000	2 371 000
Depreciation & asset impairment	2 000 000	2 000 000	4 000 000	4 200 000	4 410 000
Finance charges	-	-	-	-	-
Materials and bulk purchases	-	-	-	-	-
Transfers and grants	-	-	-	-	-
Other expenditure	10 980 000	10 793 000	11 540 000	11 953 000	12 803 000
Total Expenditure	21 443 000	22 212 000	25 429 000	26 483 000	28 137 000
Surplus/(Deficit)	- 3 902 000	- 1 345 000	- 1 888 000	- 2 510 000	- 1 287 000
<u>Capital expenditure & funds sources</u>					
<u>Capital expenditure</u>			-	-	-
Transfers recognised - operational	390 000	170 000	45 000	47 700	50 562
Public contributions & donations					
Borrowing					
Internally generated funds					
Total sources	390 000	170 000	45 000	47 700	50 562
<u>Financial position</u>					
Total current assets	6 785 000	5 042 000	7 954 000	10 244 000	13 767 000
Total non current assets	98 578 000	98 578 000	93 778 000	88 953 000	84 138 000
Total current liabilities	2 535 000	2 535 000	2 535 000	2 525 000	2 540 000
Total non current liabilities	95 000	95 000	95 000	80 000	60 000
Equity	102 733 000	100 990 000	99 102 000	96 592 000	95 305 000
<u>Cash flows</u>					
Net cash from (used) operating	5 924 000	- 164 000	1 447 000	2 769 000	2 442 000
Net cash from (used) investing	15 000	- 160 000	- 45 000	-	-
Net cash from (used) financing	- 3 520 000	-	-	- 25 000	- 5 000
Cash/cash equivalents at the year end					

Polokwane Housing Agency - Table D2 Budgeted Financial Performance (revenue and expenditure)

Description	Current Year 2017/18		Medium Term Revenue and Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue by Source					
Rental of facilities and equipment	12 518 480	11 856 652	12 518 480	12 950 480	15 827 480
Transfers recognised - operational	5 000 000	9 000 000	11 000 000	11 000 000	11 000 000
Other revenue	22 400	10 720	22 400	22 480	22 560
Gains on disposal of PPE					
Total Revenue (excluding capital transfers and contributions)	17 540 880	20 867 372	23 540 880	23 972 960	26 850 040
Expenditure By Type					
Employee related costs	6 312 898	6 987 565	7 738 881	8 072 414	8 553 159
Remuneration of Directors	2 150 224	2 431 362	2 150 224	2 257 735	2 370 621
Debt impairment	2 000 000	2 000 000	4 000 000	4 200 000	4 410 000
Depreciation & asset impairment	5 000 000	5 000 000	4 800 000	4 825 000	4 815 000
Finance charges	-	-	-	-	-
Other expenditure	5 979 500	5 793 000	6 739 500	7 127 975	7 988 299
Loss on disposal of PPE					
Total Expenditure	21 442 622	22 211 927	25 428 605	26 483 124	28 137 079
Surplus/(Deficit)	- 3 901 742	- 1 344 555	- 1 887 725	- 2 510 164	- 1 287 039
Transfers recognised - capital					
Contributions recognised - capital					
Contributed assets					
contributions	- 3 901 742	- 1 344 555	- 1 887 725	- 2 510 164	- 1 287 039
Taxation					
Surplus/ (Deficit) for the year	- 3 901 742	- 1 344 555	- 1 887 725	- 2 510 164	- 1 287 039

Polokwane Housing Agency - Table D3 Capital Budget by vote and funding

Vote Description	Current Year 2017/18		Medium Term Revenue and Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital expenditure by Asset Class/Sub-class					
Other assets	390 000	170 000	45 000	-	-
General vehicles	330 000	170 000		-	-
Specialised vehicles	-	-	-	-	-
Plant & equipment			-	-	-
Computers - hardware/equipment	30 000	-	15 000	-	-
Furniture and other office equipment	30 000	-	30 000	-	-
Total capital expenditure on assets	390 000	170 000	45 000	-	-

Polokwane Housing Agency - Table D4 Budgeted Financial Position

Description	Current Year 2017/18		Medium Term Revenue and Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
ASSETS					
Current assets					
Cash	4 240 000	1 497 000	2 897 687	5 641 210	8 077 982
Call investment deposits					
Consumer debtors	2 500 000	3 500 000	5 011 088	4 581 376	5 667 864
Other debtors	45 000	45 000	45 000	21 000	21 000
Current portion of long-term receivables					
Inventory					
Total current assets	6 785 000	5 042 000	7 953 775	10 243 586	13 766 846
Non current assets					
Long-term receivables					
Investments			-	-	-
Investment property					
Investment in Associate					
Property, plant and equipment	98 463 000	98 463 000	93 663 000	88 863 000	84 063 000
Agricultural					
Biological					
Intangible	115 000	115 000	115 000	90 000	75 000
Other non-current assets					
Total non current assets	98 578 000	98 578 000	93 778 000	88 953 000	84 138 000
TOTAL ASSETS	105 363 000	103 620 000	101 731 775	99 196 586	97 904 846
LIABILITIES					
Current liabilities					
Bank overdraft					
Borrowing					
Consumer deposits					
Trade and other payables	2 205 000	2 205 000	2 205 000	2 210 000	2 250 000
Provisions	330 000	330 000	330 000	315 000	290 000
Total current liabilities	2 535 000	2 535 000	2 535 000	2 525 000	2 540 000
Non current liabilities					
Borrowing	95 000	95 000	95 000	80 000	60 000
Provisions					
Total non current liabilities	95 000	95 000	95 000	80 000	60 000
TOTAL LIABILITIES	2 630 000	2 630 000	2 630 000	2 605 000	2 600 000
NET ASSETS	102 733 000	100 990 000	99 101 775	96 591 586	95 304 846
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	27 079 000	25 336 000	23 447 775	20 937 586	19 650 846
Reserves	75 653 000	75 653 000	75 653 000	75 653 000	75 653 000
Share capital	1 000	1 000	1 000	1 000	1 000
TOTAL COMMUNITY WEALTH/EQUITY	102 733 000	100 990 000	99 101 775	96 591 586	95 304 846

Polokwane Housing Agency - Table D5 Budgeted Cash Flow

Description	Current Year 2017/18		Medium Term Revenue and Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
CASH FLOW FROM OPERATING ACTIVITIES					
Receipts					
Property rates, penalties & collection charges	10 424 000	3 436 000	7 029 792	9 202 672	10 353 552
Government - operating	5 000 000	9 000 000	11 000 000	11 000 000	11 000 000
Suppliers and employees	- 9 500 000	- 12 600 000	- 16 582 881	- 17 434 149	- 18 911 780
NET CASH FROM/(USED) OPERATING ACTIVITIES	5 924 000	- 164 000	1 446 911	2 768 523	2 441 772
CASH FLOWS FROM INVESTING ACTIVITIES					
Receipts					
Proceeds on disposal of PPE					
Decrease (Increase) in non-current debtors					
Decrease (increase) other non-current receivables					
Decrease (increase) in non-current investments	345 000	-			
Payments					
Capital assets	- 330 000	- 160 000	- 45 000	-	
NET CASH FROM/(USED) INVESTING ACTIVITIES	15 000	- 160 000	- 45 000	-	-
CASH FLOWS FROM FINANCING ACTIVITIES					
Receipts					
Short term loans					
Borrowing long term/refinancing	- 3 520 000	-			
Increase (decrease) in consumer deposits					
Payments					
Repayment of borrowing				- 25 000	- 5 000
NET CASH FROM/(USED) FINANCING ACTIVITIES	- 3 520 000	-	-	- 25 000	- 5 000
NET INCREASE/ (DECREASE) IN CASH HELD	2 419 000	- 324 000	1 401 911	2 743 523	2 436 772
Cash/cash equivalents at the year begin:	1 820 000	1 820 000	1 496 000	2 897 911	5 641 434
Cash/cash equivalents at the year end:	4 239 000	1 496 000	2 897 911	5 641 434	8 078 206

Multi -Year Capital Programme 2018/2019 to 2020/2021

MULTI YEAR BUDGET		Budget Year	Budget Year +1	Budget Year +2
Description	Funding	2018/19	2019/20	2020/21
Clusters - SPME				
Thusong Service Centre (TSC) -Mankweng	CRR	1 000 000	4 000 000	5 000 000
Mobile service sites at Molepo Chuene Maja Cluster (Rampheri Village)	CRR	1 500 000	-	1 000 000
Upgrading of Mholonong centre (Aganang cluster)	CRR	-	-	2 500 000
Renovation of existing Cluster offices in Molejje, Sebayeng, Molepo/ Chuene /Maja Clusters	CRR	-	1 800 000	1 900 000
Upgrading of existing Cluster offices in Molejje ,Sebayeng & Molepo/ Chuene/ Maja clusters	CRR	-	1 500 000	1 600 000
Construction of mobile service sites (Molejje & Mankweng)	CRR	-	7 000 000	7 500 000
Cluster offices Construction at Seshego	CRR	-	2 000 000	3 000 000
Construction of Municipal Depots in all Clusters	CRR	-	3 000 000	5 000 000
Total Clusters - SPME		2 500 000	19 300 000	27 500 000
Facility Management- Community Development				
Civic Centre refurbishment	CRR	4 000 000	4 500 000	8 000 000
Renovation of municipal wide offices	CRR	2 000 000	2 000 000	2 500 000
Municipal Furniture and Office Equipment	CRR	500 000	500 000	1 000 000
Refurbishment of City Library and Auditorium	CRR	500 000	500 000	1 000 000
Upgrading of Seshego Library	CRR	500 000	700 000	500 000
Library Dikgale	CRR	500 000	-	2 000 000
Library Bloodriver /Perskebut	CRR	300 000	1 300 000	2 000 000
Civic Centre Aircon Upgrade	CRR	1 000 000	500 000	-
Refurbishment of Municipal Public toilets (municipal wide)	CRR	-	750 000	800 000
Renovation for the dilapidated AIDS Centre	CRR	-	750 000	-
Construction of Mankweng Traffic and Licensing Testing Centre	CRR	-	3 000 000	4 000 000
Construction of Mankweng Water and Sanitation Centre	CRR	1 000 000	4 000 000	6 000 000
Refurbishment of Mankweng Library	CRR	-	-	1 500 000
Refurbishment of Mankweng Fire Department	CRR	-	-	3 000 000
Construction of the integrated Control Center (Traffic Ladanna)	CRR	-	-	4 000 000
Extension of the Fire and Traffic Training Facility at Ladanna	CRR	-	-	3 000 000
Extension of offices Workshop (Water, Roads and Waste Management) at Ladanna	CRR	-	-	400 000
Construction of new Standby Staff facility at Ladanna	CRR	-	-	3 000 000
Refurbishment of Nirvana Hall	CRR	-	-	3 000 000
Extension of offices at ladanna electrical workshop	CRR	-	-	1 500 000
Total Facility Management- Community Development		10 300 000	18 500 000	47 200 000
Control Centre Services - Community Services				
Installation of CCTV cameras	CRR	1 700 000	2 000 000	-
Hand held radios	CRR	100 000	100 000	200 000
Access Control	CRR	227 000	250 000	1 000 000
Total Control Centre Services - Community Services		2 027 000	2 350 000	1 200 000
Roads & Stormwater - Engineering				
Chebeng to Makweya internal streets	MIG	4 000 000	-	-
Sebayeng ring road	MIG	2 600 000	-	-
Tarring of Arterial road in SDA1 (Lithuli and Madiba park)	MIG	13 000 000	10 000 000	15 000 000
Tarring Ntsime to Seleteng	MIG	10 000 000	11 000 000	14 000 000
Upgrading Semenya to Matekereng	MIG	11 000 000	-	-
Upgrading of roads in Molejje Cluster	CRR	1 000 000	-	-
Upgrading of Ramongoana bus and Taxi roads	MIG	3 500 000	-	-

DRAFT MULTI-YEAR BUDGET 2018/19-2020/21

MULTI YEAR BUDGET				
Description	Funding	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Upgrading of Ntshishane Road	MIG	7 000 000	8 000 000	15 000 000
Tarring of internal streets in Toronto	MIG	10 000 000	11 000 000	15 000 000
Upgrading of internal Streets in Mankweng unit E (Vukuphile)	CRR	1 140 000	5 000 000	6 000 000
Upgrading of internal streets linked with Excelsior Street in Mankweng unit A	MIG	10 000 000	5 000 000	5 000 000
Upgrading Makanye Road (Ga-Thoka)	CRR	9 000 000	-	-
Upgrading of Arterial road in Ga Rampheri	MIG	6 500 000	-	22 000 000
Upgrading of access roads to Maja Moshate (Molepo Chuene Maja cluster)	MIG	9 000 000	5 000 000	10 000 000
upgrading of stormwater system in municipal area (Vukuphile)	CRR	1 900 000	6 000 000	-
Rehabilitation of streets in Seshego Cluster	CRR	4 500 000	15 000 000	13 350 000
Upgrading of internal streets in Seshego Zone 1	CRR	8 000 000	15 000 000	15 000 000
Upgrading Internal Street in Seshego Zone 2	MIG	10 000 000	15 500 000	20 000 000
Upgrading of internal streets in Seshego Zone 2	CRR	4 000 000	9 000 000	12 500 000
Triangle Park- land scaping and street lighting Seshego Zone 2	NDPG	7 003 000	-	-
Upgrading of internal streets in Seshego Zone 3	CRR	8 000 000	15 000 000	15 000 000
Upgrading of internal streets in Seshego Zone 4	CRR	8 000 000	15 000 000	15 000 000
Upgrading of internal streets in Seshego Zone 5	CRR	1 800 000	9 000 000	12 500 000
Upgrading of internal streets in Seshego Zone 5	MIG	5 500 000	5 500 000	15 000 000
Upgrading of internal streets in Seshego Zone 8	CRR	1 200 000	-	-
Upgrading Internal Street in Seshego Zone 8	MIG	9 225 000	11 000 000	5 000 000
Seshego Hospital link-Upgrading of township road & Bookelo street Zone 1	NDPG	11 244 000	-	-
Construction of stormwater culvert and NMT facilities between skotipola, kgoro and dinkwe	NDPG	8 703 000	-	-
Traffic Lights and Signs (Municipal Wide)	CRR	3 000 000	5 000 000	4 000 000
Installation of road signage (Municipal Wide)	CRR	2 690 000	1 200 000	800 000
Rehabilitation of Roads in Nirvana	CRR	10 000 000	12 000 000	15 000 000
Mohlonong to Kalkspruit upgrading of road from gravel to tar	MIG	7 000 000	10 000 000	10 000 000
Lonsdale to Percy clinic via Flora upgrading of road from gravel to tar	MIG	-	10 000 000	-
Rehabilitation of streets in city cluster (Concession Program)	CRR	60 000 000	63 000 000	65 000 000
Polokwane Drive- upgrade from single to dual carriage way	NDPG	8 050 000	-	-
NDPG	NDPG	-	35 000 000	35 000 000
Construction of NMT at Magazyn Street and Vermeuwet	KFWBANK	14 400 000	-	-
Total Roads & Stormwater - Engineering		291 955 000	307 200 000	355 150 000
Water Supply and reticulation - Engineering				
Olifantspoort RWS (Mmabong wa Perekisi)	MIG	23 000 000	13 509 300	15 000 000
Mothapo RWS	MIG	-	12 000 000	13 000 000
Molefje East RWS	MIG	20 000 000	14 000 000	15 000 000
Molefje North RWS	MIG	-	10 000 000	10 000 000
Molefje South RWS	MIG	-	10 000 000	16 000 000
Sebayeng/Dikgale RWS	MIG	17 000 000	10 000 000	15 000 000
Houtriver RWS phase 10	MIG	10 000 000	10 000 000	10 000 000
Chuene Maja RWS phase 9	MIG	-	7 000 000	14 000 000
Chuene Maja RWS phase 9	CRR	2 500 000	-	-
Molepo RWS phase 10	MIG	10 000 000	5 136 700	5 252 100
Laastehoop RWS phase 10	MIG	6 000 000	6 000 000	8 000 000
Mankweng RWS phase 10	MIG	15 000 000	11 000 000	1 000 000
Boyne RWS phase 10	MIG	9 763 000	13 000 000	10 000 000
Water Conservation & Water Demand Management (Installation of Smart Meters) at Mankweng	WSIG	20 000 000	29 800 000	10 000 000
Segwasi RWS Planning	WSIG	1 000 000	8 000 000	19 728 100
Badimong RWS phase 10 Planning	WSIG	1 000 000	15 000 000	11 000 000
Extension 78 water reticulation	CRR	665 000	6 000 000	8 000 000
Extension 78 sewer reticulation	CRR	665 000	8 000 000	10 000 000
Extension 106 sewer & water reticulation	CRR	8 500 000	5 000 000	10 000 000
Roodeport Reservoir Construction	CRR	-	1 000 000	2 000 000
Aganang RWS 1 Planning	WSIG	1 000 000	25 000 000	30 000 900

DRAFT MULTI-YEAR BUDGET 2018/19-2020/21

MULTI YEAR BUDGET		Budget Year	Budget Year +1	Budget Year +2
Description	Funding	2018/19	2019/20	2020/21
Aganang RWS 2	MIG	-	20 000 000	25 000 000
Aganang RWS 2	CRR	6 050 000	-	-
Asbestos (AC) Pipes in Seshego, Annadale & CBD	RBIG	83 335 120	110 000 000	200 551 000
Upgrading of pipeline from Dap to Menz	RBIG	-	110 998 000	283 100 000
Upgrading of laboratory at Polokwane Sewer plant	CRR	475 000	1 000 000	1 500 000
Polokwane Water Network Upgrading (1)	CRR	4 600 000	-	-
Polokwane Water Network Upgrading (2)	CRR	4 600 000	-	-
Polokwane Central Groundwater development	WSIG	45 600 000	32 200 000	45 321 000
Asset Renewals of Water Network (CBD)	CRR	4 500 000	-	-
Asset Renewals of Waste Water Network (CBD)	CRR	4 500 000	-	-
Upgrading of pipeline from Dap to Menz	CRR	950 000	-	-
Total Water Supply and reticulation - Engineering		300 703 120	493 644 000	788 453 100
Sewer Reticulation - Engineering				
Regional waste Water treatment plant	RBIG	180 519 880	240 000 000	160 840 000
Regional waste Water treatment plant	PLEDGE/RBIG	170 000 000	-	-
Refurbishment of Polokwane Waste Water Treatment Works	CRR	41 800 000	-	-
Plants and Equipments	CRR	-	-	3 000 000
Total Sewer Reticulation - Engineering		392 319 880	240 000 000	163 840 000
Energy Services - Engineering				
Illumination of public areas (main street into ext40, and 75 from Nelson Mandela Voortrekker street , Ext 40 from Matlala road, Ext 71, 73	CRR	2 145 000	2 000 000	3 000 000
Illumination of public areas (High Mast lights) various rural areas	CRR	487 500	5 000 000	8 000 000
Replacement of oil RMU with SF6/ Vacuum in Industria and Nirvana	CRR	-	2 500 000	15 000 000
SCADA on RTU in Superbia & Epsilon	CRR	2 437 500	3 000 000	5 000 000
Replacement of overhead lines by underground cables CBD	CRR	-	10 000 000	1 000 000
Replacement of Fiber glass enclosures in Flora, Fauna Park and Nirvana	CRR	9 750 000	5 000 000	15 000 000
Planning and design New Bakone to IOTA 66KV double circuit GOAT line	CRR	9 750 000	15 000 000	7 000 000
Build 66KV/Bakone substation	CRR	9 500 000	8 000 000	7 000 000
Electrification Of Urban Households in Extension 78 and 40	CRR	5 850 000	5 000 000	5 000 000
Design and Construct permanent distribution substation at Thornhill	CRR	9 750 000	2 000 000	1 000 000
Power factor corrections in various Municipal Substations	CRR	682 500	7 000 000	9 000 000
Plant and Equipment	CRR	2 500 000	2 500 000	1 500 000
Installation of 3x 185 mm² cables from Sterpark to Iota sub	CRR	-	25 000 000	-
Installation of 1 x 185 mm² cable from delta to bendora sub	CRR	-	8 000 000	-
Increase license area assets	CRR	1 000 000	8 000 000	9 000 000
Retrofit 66kV Relays at Gamma, Alpha & Sigma Substations	CRR	-	3 000 000	4 000 000
Replace 66kV Bus Bars & Breakers at Gamma Substation	CRR	3 217 500	5 000 000	3 000 000
Replacement of Fences at Gamma, Sigma, Alpha, Beta, Sterpark & Florapark Substations (vukuphile)	CRR	975 000	1 000 000	1 000 000
Upgrade Gamma Substation and install additional 20MVA transformer	CRR	975 000	10 000 000	10 000 000
Design and Construction of New Pietersburg 11kv substation	CRR	1 000 000	20 000 000	5 000 000
Install additional 95MMX11KV cable to complete a ring in Debron to Koppiesfontein	CRR	-	5 000 000	-
Supply power to new Pietersburg substation	CRR	-	-	10 000 000
Replacement of undersized XLPE cables with PILCSTAcable in Nirvana & CBD	CRR	-	-	10 000 000
Construction of new 66 KV Substations as per master plan in Tweefontein	CRR	-	-	25 000 000
Construction of new 66 KV Lines as per master plan in Tweefontein	CRR	-	-	15 000 000
Design and Construction of new 11 KV Substations to strengthen capacity in Johnson Park	CRR	-	-	5 800 000
Installation of 11KV cables to new substations	CRR	-	-	2 000 000
Installation of Check Meters at Main substations	CRR	3 200 000	2 000 000	3 200 000
Installation of power banks at Main substations	CRR	-	10 000 000	10 000 000
Lowering Pole mount boxes to ground mounted in Westernburg, Zone 1 Zone8, Zone5, Ext 71, 73, 75, 9A, 9L	CRR	5 850 000	8 000 000	10 000 000
Power Generation (SSEG) at Municipal Buildings	CRR	-	-	10 000 000
Total Energy Services - Engineering		69 070 000	172 000 000	210 500 000
Disaster and Fire - Community Services				
Acquisition of fire Equipment	CRR	2 000 000	1 000 000	2 000 000
6 floz pumps	CRR	-	250 000	300 000
10 Large bore hoses with stbzc coupling	CRR	350 000	350 000	350 000
150X 80 Fire hoses with instantaneous couplings	CRR	300 000	300 000	350 000
Miscellaneous equipment and gear	CRR	800 000	550 000	550 000
Planning for extension of fire training Centre	CRR	1 000 000	-	-
3 Heavy hydraulic equipment	CRR	-	2 000 000	2 000 000
4 portable pump	CRR	-	850 000	850 000
16 x Multipurpose branches Monitors	CRR	300 000	300 000	300 000
Total Disaster and Fire - Community Services		4 750 000	5 600 000	6 700 000

DRAFT MULTI-YEAR BUDGET 2018/19-2020/21

MULTI YEAR BUDGET				
Description	Funding	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Traffic & Licencing - Community Services				
Purchase alcohol testers	CRR	200 000	-	220 000
Upgrading of logistics offices	CRR	1 000 000	-	-
Upgrading- Traffic Auditorium, parade room and Training Facility	CRR	600 000	-	-
Upgrading of city vehicle test station	CRR	500 000	600 000	600 000
Procurement of AARTO equipments	CRR	50 000	50 000	160 000
Procurement of office cleaning equipment's	CRR	80 000	100 000	160 000
Computerized Learners license	CRR	-	-	2 000 000
Procurement of 2 X Metro counters (law enforcement)	CRR	-	-	300 000
Procurement of 7 X Pro-laser 4 Speed equipment's	CRR	-	-	1 400 000
Total Traffic & Licencing - Community Services		2 430 000	750 000	4 840 000
Environmental Health - Community Services				
Vehicle exhaust gas analysis	CRR	140 000	-	-
Total Environmental Health - Community Services		140 000	-	-
Environmental Management - Community Services				
Grass cutting equipment's	CRR	900 000	800 000	950 000
Development of a Botanical garden(Protected area Ster park)	CRR	-	1 800 000	2 000 000
Development of a park at Ext 44 and 76	CRR	600 000	800 000	900 000
Upgrading of Tom Naude Park	CRR	-	800 000	1 000 000
Zone 4 Park Expansion Phase 2	CRR	-	800 000	900 000
Upgrading of Security at Game Reserve	CRR	1 500 000	3 000 000	3 000 000
Upgrading of Environmental Education Centre	CRR	750 000	1 000 000	1 000 000
Construction of ablution facilities at Tom Naude Park	CRR	800 000	-	-
Development of Ablution facilities at Various Municipal Parks	CRR	500 000	2 500 000	3 000 000
Animal Pound	CRR	400 000	-	-
Upgrading of Ga- Kgoroshi community centre	CRR	500 000	-	-
Development of regional/ cluster parks	CRR	-	-	2 000 000
Development of regional/ cluster cemeteries	CRR	-	-	2 000 000
Total Environmental Management - Community Services		5 950 000	11 500 000	16 750 000
Waste Management - Community Services				
30 m3 skip containers	CRR	800 000	600 000	1 000 000
Extension of landfill site(wellevrede)	CRR	4 000 000	-	2 000 000
Extension of offices(Ladanna)	CRR	-	500 000	-
Rural transfer station (Sengalane)	MIG	4 266 667	-	3 000 900
Rural transfer station (Dikgale)	MIG	4 266 667	3 000 000	-
Rural transfer Station(Makolopong)	MIG	4 266 666	3 000 000	-
Rural transfer Station Planning (Molepo)	CRR	1 000 000	-	-
770 L Refuse Containers	CRR	-	600 000	1 000 000
240 litre bins	CRR	-	1 000 000	-
6 & 9 M3 Skip containers	CRR	-	600 000	1 000 000
Total Waste Management - Community Services		18 600 000	9 300 000	8 000 900
Sport & Recreation - Community Development				
Construction of an RDP Combo Sport Complex at Molepo Area- 2	MIG	-	-	-
Construction of Mankweng Sport facility-2	MIG	11 440 000	-	-
Upgrading of Mankweng Stadium-roadworks	MIG	-	6 000 000	-
Sport stadium in Ga-Maja	MIG	9 600 000	4 000 000	-
EXT 44/77 Sports and Recreation Facility	MIG	1 500 000	10 000 000	8 000 000
Grass Cutting equipment	CRR	500 000	1 000 000	1 200 000
Upgrading of Tibane Stadium	CRR	475 000	2 000 000	-
Sebayeng/Dikgale Sports Complex (Planning)	CRR	1 000 000	-	-
Rehabilitation of Swimming Pool to be commercialized	CRR	1 575 000	-	-
Upgrading of Mholonong Stadium	MIG	7 300 000	9 000 000	-
Total Sport & Recreation - Community Development		33 390 000	32 000 000	9 200 000

MULTI YEAR BUDGET				
Description	Funding	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Security Services - Community Services				
Walk through metal detector	CRR	200 000	-	-
Upgrading of offices at Itoseng for Security Services	CRR	600 000	-	-
Supply and installation of Safes	CRR	80 000	-	-
Supply and installation of Guard tracking devices	CRR	800 000	-	-
Supply and delivery of guard houses	CRR	900 000	-	-
Total Security Services - Community Services		2 580 000	-	-
Cultural Services - Community Development				
Collection development - Books	CRR	750 000	1 200 000	3 000 000
New Exhibition Irish House	CRR	800 000	800 000	900 000
Total Cultural Services - Community Development		1 550 000	2 000 000	3 900 000
Information Services - Corporate and Shared Services				
Provision of Laptops, PCs and Peripheral Devices	CRR	1 750 000	2 000 000	2 000 000
Implementation of ICT Strategy	CRR	750 000	800 000	1 000 000
Network Upgrade	CRR	7 000 000	3 500 000	4 000 000
Total Information Services - Corporate and Shared Services		9 500 000	6 300 000	7 000 000
City Planning - Planning and Economic Development				
Township establishment-Farm Volgestruisfontein 667 LS	CRR	2 000 000	1 000 000	1 000 000
Township establishment - Nirvana	CRR	-	-	1 000 000
Township establishment at portion 151-160 of the Farm Sterkloop 688 LS for PHA mixed land use	CRR	3 000 000	-	4 500 000
Township establishment-Portion 74 and 75 of Ivy Dale Agricultural Holdings	CRR	1 000 000	500 000	1 500 000
Planning for Installation of engineering services at Polokwane extension 108, 72, 78, 79, 106, 107, 126, 127, 133, 134, 121, Nivarna x5, southern gateway x1 and Ivy Park 35 (water, electricity, sewerage network and roads)	CRR	1 000 000	14 000 000	32 150 000
Acquisition of land	CRR	-	3 000 000	11 000 000
Upgrading of the R293 area Townships	CRR	-	-	12 000 000
Total City Planning - Planning and Economic Development		7 000 000	18 500 000	63 150 000
GIS - Planning and Economic Development				
Procurement of a drone for aerial imagery	CRR	-	-	2 500 000
Total GIS - Planning and Economic Development		-	-	2 500 000
LED - Planning and Economic Development				
Integrated feasibility studies for logistics and Industrial hub	CRR	-	-	2 150 000
Total LED - Planning and Economic Development		-	-	2 150 000
Transport Operations(IPRTS)- Transport and Services				
Implementation of IRPTS Infrastructure	PTISG	-	-	-
AFC	PTNG	31 389 000	-	-
PTMS	PTNG	13 964 000	-	-
Buses	PTNG	37 333 000	-	-
Control Centre	PTNG	1 500 000	-	-
Implementation of IRPTS Infrastructure	PTNG	-	77 158 000	81 207 000
Upgrad & constr of Trunk route 108/2017	PTNG	6 500 000	-	-
Construction of bus depot Civil works 108/2017	PTNG	5 000 000	-	-
Construction of bus station Civil works 108/2017	PTNG	5 000 000	-	-
Daytime lay-over 108/2017	PTNG	4 000 000	-	-
CBD Transit Mall 108/2017	PTNG	3 000 000	-	-
Construction & provision of Depot Upper structures	PTNG	11 000 000	-	-
Construction & provision of Station Upperstructures	PTNG	18 000 000	-	-
Refurbishment of Daytime Layover Buildings	PTNG	2 800 000	-	-
OHS Management	PTNG	1 200 000	-	-
Environmental Management Seshego & SDA1	PTNG	600 000	-	-

DRAFT MULTI-YEAR BUDGET 2018/19-2020/21

MULTI YEAR BUDGET		Budget Year	Budget Year +1	Budget Year +2
Description	Funding	2018/19	2019/20	2020/21
Environmental Management in Polokwane City	PTNG	413 000	-	-
Compensation	PTNG	20 833 000	20 833 000	20 833 000
Acquisition of buses	PTISG Pledge	105 000 000	-	-
Total Transport Operations(IPRTS)- Transport and Services		267 532 000	97 991 000	102 040 000
Supply Chain Management - Budget and Treasury Services				
Upgrading of stores	CRR	8 500 000	2 001 000	-
Total Supply Chain Management - Budget and Treasury Services		8 500 000	2 001 000	-
Total Capital Expenditure		1 430 797 000	1 438 936 000	1 820 074 000
Municipal Infrastructure Grant	MIG	271 728 000	278 646 000	314 253 000
Public Transport Network Grant	PTIG	162 532 000	97 991 000	102 040 000
Neighbourhood Development Grant	NDPG	35 000 000	35 000 000	35 000 000
Water Services Infrastructure Grant	WSIG	68 600 000	110 000 000	116 050 000
Regional Bulk Infrastructure Grant	RBIG	263 855 000	460 998 000	644 491 000
Total DoRA Allocations		801 715 000	982 635 000	1 211 834 000
PTIG Pledge	PTIG	105 000 000	-	-
PTIG Pledge	RBIG	170 000 000	-	-
CRR	CRR	339 682 000	456 301 000	608 240 000
KFW Bank	KFW	14 400 000	-	-
Total Capital Funding		1 430 797 000	1 438 936 000	1 820 074 000

Municipal Manager Quality Certificate



Municipal Manager Quality Certification

DIKGAPE MAKUBE, Municipal Manager of Polokwane Municipality,

hereby certify that the 2018/19 Draft Multi-Year Budget (2018/19 – 2020/21) and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the draft budget and supporting documentation are consistent with the Integrated Development Plan of the municipality

Name **DIKGAPE HERSKOVITS MAKUBE**

Municipal Manager of Polokwane Municipality: LIM354

Signature



Date

23/03/2018